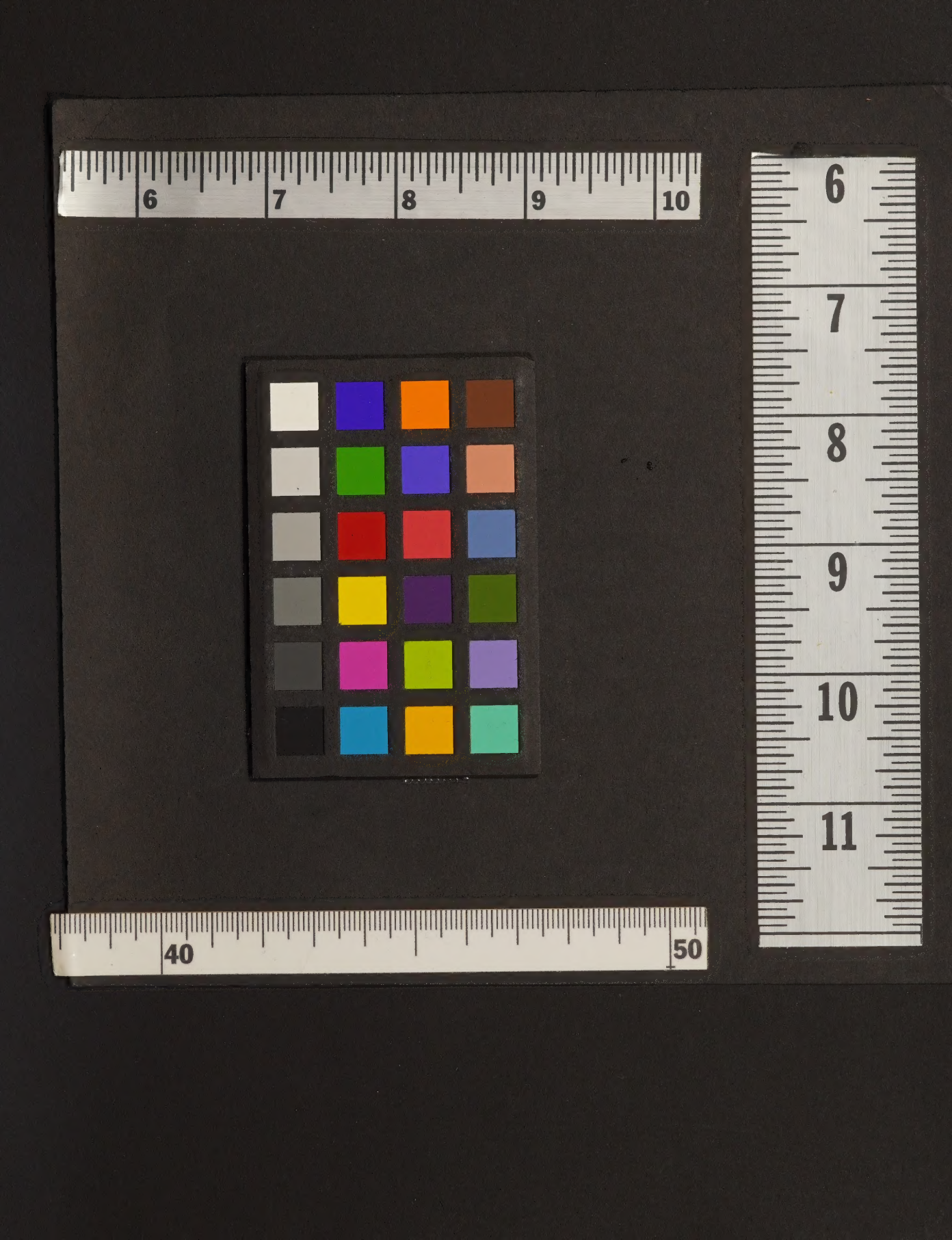
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THE LASKER STORY

AS HE TOLD IT

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Bebey Nicolas

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Table of Contents

	Foreword	7
I	The Agency Business 50 Years Ago	9
II	Young Lasker Seeks to Define Advertising	13
III	Enter the Copywriter . . . and Big Rewards	16
IV	Lasker Meets Kennedy and a New Advertising Concept	19
V	Private Lessons from Kennedy, and a Shining Light	23
VI	Kennedy Writes Copy for the 1900 Washer	27
VII	L&T Moves Some Files and Hires 9 Writers	32
VIII	Volume Moves Up, But There's a Void to Fill	26
IX	Claude C. Hopkins Goes to Work for L&T	41
X	The Prologue Ends; Lasker Takes Full Control	45
XI	He Spreads Himself Thin and Has a Breakdown	50
XII	Col. Theodore Roosevelt Captures an Adman	55
XIII	Lasker Becomes Head of the Shipping Board	60
XIV	Lord & Thomas Suffers from Lack of Leadership	65
XV	On Owning and Advertising the Same Business	69
XVI	Lasker Completes His Historical Discussion	72
XVII	The Business Has Changed; Many Good Agencies	76
XVIII	Lord & Thomas Restates Its Philosophy	81
XIX	Explains Plans to Merchandise L&T Campaign	86
XX	The L&T 'Team' Is Ready for New Business	91
XXI	A Lesson in Advertising's Limitations	95
XXII	Lasker Holds Forth Against Plus Services	99
XXIII	A 'Plusage' for Cellucotton	104
XXIV	The News Is: 'Shot from Guns'	110
XXV	Agency Experience Is What Counts	115
XXVI	Exceptions to the Merchandising Rule	121

Foreword

Although Albert Davis Lasker, for 40 years the active head of Lord & Thomas, was one of the best-known names in advertising, the man himself was relatively little know in advertising. A dynamic leader and organizer, he was nevertheless no orator and no joiner.

He wrote practically nothing for publication. He made no speeches (his single platform appearance in the advertising world in 25 years was in 1937), and he had vetoed, albeit somewhat reluctantly, Advertising Age's suggestion that he put his experiences in advertising on paper, for the benefit of posterity.

When Mr. Lasker died, on May 30, 1952, one of the first people with whom Advertising Age reporters checked was Don Francisco then vice-president of J. Walter Thompson Co. (he retired in 1956), but previously president of Lord & Thomas and a longtime associate and close friend of Mr. Lasker.

Mr. Francisco said that one document in his possession provided a better insight into Mr. Lasker's thinking about advertising than anything else he knew. It was a copy of the verbatim notes taken by a stenographer at a staff meeting of Lord & Thomas executives in April, 1925. It reported an informal talk that Mr. Lasker had given to his staff—a talk that took about six hours. Would we like to borrow it?

Half an hour's examination indicated clearly that here was a real advertising find. Could we print portions of it? After checking with Mr. Lasker's family, Mr. Francisco said yes, provided we would agree to submit the manuscript to Mr. Edward Lasker, A.D.'s son, and to Mr. Francisco before publication.

It was my privilege to edit the original 181-page typescript, and to work with Mr. Lasker and Mr. Francisco in clearing it. Practically no changes in the manuscript have been made, except for the occasional insertion or alteration of punctuation. Nothing of any consequence has been deleted. Most of the deletions, in fact, have been deletions of simple repetitive material of the kind one is likely to find in a verbatim report of an informal and quite lengthy "speech."

It is completely safe to say that nothing we have ever published has given the staff of Advertising Age so much instruction and pleasure as "The Lasker Story." The material in this book originally appeared in 26 instalments in Advertising Age. It has, we believe, had much the same effect upon readers as upon our staff, and it is in answer to insistent reader demand that this fascinating, human story of advertising and what it is all about has been put in this permanent form.

S. R. Bernstein
Editorial Director

The Agency Business 50 Years Ago

The meeting of the representatives of Lord & Thomas was called to order at 2 p.m. Saturday, April 4, 1925, at the offices of the organization, 800 Wrigley Bldg., Chicago, President Albert D. Lasker presiding.

PRESIDENT LASKER: I feel sort of like a college professor facing a class. If the class is half as scared as the professor, the class is really scared, because I know when I asked for this meeting, I didn't realize that we had so many who would be in it. I thought just a few.

I will tell you exactly what led up to this meeting. We have been working on a campaign of advertising of our own.

Now, personally, from past experience I don't believe that any advertising an agency can do can be made to pay as other advertising does, because while you can advertise a commodity with the printed word, there are so many restrictions around what you can say in a personal service that it lacks the compelling force we all know has to finally determine the pulling power of copy.

But my reason for wanting to advertise Lord & Thomas, and why I believe in agency advertising, is this: We lay down precepts in the advertising that get all of us committed to certain principles.

Now, there is being undertaken in Lord & Thomas at this moment something of a rebirth, a sort of renaissance, and I really have much on my mind that I want to cover with you, but I haven't collated how I am going to say it.

I am just full of what I want to say, so I am just going to ramble along with you as if there were just one or two of you present. Maybe at points it won't connect up, but finally I will get spotted with my subject and then we will begin getting closer to each other.

So I am going to begin back historically in connection with the firm, in order to trace certain developments.

As all of you know, I am the owner of this business, and therefore, in the final analysis, I decide its policies. I can't make its policies. Its policies have to be made by everyone who works here. But someone has to make the final decision, and in the course of the years a business gets to reflect the

spirit of its owners. You can trace in the business, if it is owned by one man, the man's personal development; just as a man may be a quite different man at 50 than he was at 24 or 30, so a business under his direction gets different.

So for your benefit I am going to trace some of the roots that are beneath this tree to give a background to the discussion of our present advertising which I hope will sprout out into a policy that will be most successful.

I came with Lord & Thomas in 1898 (And, parenthetically, I cover this at such length because there are a good many new faces here.) In 1898, on May 31—that is 27 years ago—my first boss was Mr. Bullis back there (Elmer Bullis, for many years L&T space buyer). I was under his tutelage and Bullis gave me a great chance. We became great friends and have been ever since.

The best claim Lord & Thomas has to that biggest thing there can be in a business—a really historical background—is that Mr. Troupe (Paul Troupe, another long-time L&T space buyer) has been here over 40 years and still is as active as a man could be, and Mr. Bullis has been here almost that long. We have others who have been here similar lengths of time.

I don't like to point that out as a matter of pride, but as a tradition to this business, because others may come and go, but if enough stayed through all those years, the old tradition flows right through. People may settle on the river bank and move, but the river goes right on, and people will always live where there is a river.

After I was here just a little while I remember writing a letter to my father in Galveston, Texas—that is where I came from—and I reviewed to him that I had not expected to stay in Lord & Thomas but a very few months. I had come up to Chicago to learn something about advertising. My father expected to buy me a paper in a small town and that I would go back into the newspaper business, and he wanted me to learn something about advertising.

I remember writing him and saying to him:

"The great force of advertising has been shown to me in the few weeks I have been here. But while people are spending what to you and me, from a small town, seems like inconceivable sums, and getting results (or they couldn't keep it up), I haven't been able to find a man who could tell me what advertising is."

I asked my old seniors, fine men, what was advertising. Well, it wasn't their business to know, really, in those days, because the agency was a spaceseller. Mr. Bullis and Mr. Troupe will bear me out that, when I came with the firm in 1898, this is the way advertising was sold.

For instance, Mr. Holman—I remember this happened the first week I was here—would go up to Grand Rapids to see the Bissell Carpet Sweeper Co. Ayer & Son would send a man, Thompson would send Mr. Raymond

BISSELL'S
"CYCO" BEARING
SWEEPER
Makes An Ideal Christmas Gift
What article can you buy at the same cost that will contribute as much genuine, lasting pleasure and comfort to the recipient as a Bissell sweeper? It will be a constant reminder of the giver for ten years or more, and will gratify mother, wife, sister or friend during an this time as no other article at a similar cost possibly can. Remember, the name
BISSELL
marks the genuine sweeper that for over a quarter of a century has been the recognized leader throughout the world. Bissell "Cyco" Bearing Sweepers have taken Gold Medals at Paris, 1889; Paris, 1900; Pan-American, 1901; Grand Prix, Osaka, '03; World's Fair, St. Louis, 1904.
Buy a Bissell "Cyco" Bearing before Jan. 1st, send us the purchase slip and we will send you Free a Handsome Card Case with no printing on it.
For sale everywhere. Price $2.50 to $4.00
Bissell Carpet Sweeper Co., Dept. E, Grand Rapids, Mich.
(Largest Sweeper Makers in the World)

GOOD GIFT—A Bissell carpet sweeper ad from the January, 1905, issue of Delinator.

ADVERTISE
JUDICIOUSLY
LORD & THOMAS
Newspaper, Magazine and Outdoor Advertising
Chicago New York
Have Designing Department, Advertisement Writing Department, Printing Department, and employ experts to facilitate the prompt preparation of effective advertising
A Third of a Century of Success

MYSTERY-This Lord & Thomas ad, at the turn of the century, left Mr. Lasker mystified.

(JWT's then Chicago manager), and four or five would meet there, Bissell would have all his cuts stacked for a whole year's work, and he would say to them:

"Here are my specifications. Sit down and bid."

And then they would sit down and sharpen their pencils, and the bidding was varied, for this reason:

At that time, on the side but known to all, J. Walter Thompson controlled all the women's magazine space of America save, I believe, the Butterick. For instance, if we placed an advertisement in the Delineator, we got at that time 25% commission. If I remember, the rate was $2. We paid $1.50 and then Thompson got 25¢ on everything we or any other agent placed, and Thompson got 75¢ on everything they placed.

Ayer & Son controlled all the agricultural papers in the same way. And Lord & Thomas controlled all the religious papers in the same way. So the trick was to twist the list around and get the most that you could on it.

All the other agents sold ink and type and blotters and whatnot to publishers. So they would have publishers who bought supplies from them, and if the list happened to have enough of their publishers on it, they would take a chance and figure way lower than the others, figuring that they could trade it out with this kind of stuff. That was the agency business.

Young Lasker Seeks to Define Advertising

Lord & Thomas did have one man who helped out with copy. He would have been an able copywriter today. His name was Case and he made $30 a week. He worked for Lord & Thomas in the mornings and they paid him $15 a week, and he worked for Montgomery Ward & Co. in the afternoon and they paid him $15 a week. The only additional thing Case got was that Lord & Thomas handled the Hanna whisky advertising, and he had the first right to all the samples. And he used it!

Case would help out as best he could. But when I asked Case, "What is advertising?" or I asked anyone else connected with the firm, I got a different but meaningless definition from each one.

In fact I have here, which we unearthed in my vault about two weeks ago, an advertisement that Lord & Thomas published back in 1901, three years after I came with them. The designing department which they had then consisted of one artist, Doyle, who got $25 a week. The advertisement writing department consisted of this man Case, who worked half time for $15 a week, and they had three printers, but most of their work was to set up and arrange the copy that the advertisers prepared.

This was the advertisement to sell agency service:

Advertise Judiciously
Newspaper—Magazine—Outdoor
Advertising.
Chicago . . . . . New York
Have Designing Department—Advertisement
Writing Department—Printing Department
and employ experts to facilitate the prompt
preparation of effective advertising.
A third of a century of success.

Now, I asked: "What do they mean by "'Advertise Judiciously'?"

"Why, spend your money carefully, in the right papers."

And we boasted that we could make up the list so well—and our leading man in the firm was Mr. Erwin, a fine man, whose talent was that he could out-trade any publisher in the country. That was the boast of the firm.

(Mr. Erwin was Charles R. Erwin, later one of the founders of Erwin, Wasey & Co.)

We occupied 10,000 square feet of space, of which, and I am not exaggerating, 4,500 was given over to newspaper checking, easily. And we boasted of our checking. But when I asked, "What does 'Advertise Judiciously' mean?", why, that meant to do judicious advertising. And what did it mean to do judicious advertising? That was to advertise judiciously!

Well, I turned elsewhere. The other big house in the line was N. W. Ayer & Son. They were far larger than Lord & Thomas in those days. (The greatest remarkable thing is that when I started in the line the three outstanding houses in the U. S. were Ayer, Thompson and Lord & Thomas, and they still are there today, showing that traditions deep rooted do count.) And at that time I suppose that in the whole U. S. there may have been 20 or 25 advertising agencies, not more than that. And today (April 4, 1925) there are about 1,700.

Well, I turned to Ayer & Son, because they had as a slogan, "Keeping Everlastingly At It Brings Success." I was a young fellow. I had been a newspaper reporter. I had been born and trained with an instinct for news and I wanted to know why and what it meant, so I could learn it. I was serious of purpose. I felt it was my right to know. And I met one of Ayer's men.

"Now," I said, "here, let me ask you this. Supposing I start wrong and I keep everlastingly at it. Where is that going to get me?"

"Well," he said, "what they meant was keeping everlastingly at it right would achieve success."

"Well," I said, "what is right in advertising? Can't you define it for me?"

"Why," he said, "keeping your name before the people."

"Well," I said, "supposing I can't live that long. Supposing I go broke; that I can't keep my name before the people. There must be something else to this thing."

I was making a little speech before the Advertising Club of New York a couple of weeks ago and just while making it Ayer's slogan of keeping everlastingly at it bringing success reminded me of the story of the Irishman who was giving a lecture against prohibition, and he was saying in his speech that his old father had started drinking six or eight drinks of hard liquor a day at the time he was 14, and that at that moment the old man was 92 years of age and he ascribed his longevity to the fact that he never missed a day taking this goodly quantity of whisky.

A man in the back of the room called out and said: "Well my father started drinking in like manner, at the same age, and he died at 42. How do you account for that?"

The Irishman instantly replied, "Why, he didn't keep it up long enough."

Now, there was another house in the line, and though I was young in the business, I could see that they were making strides. The house is no longer a factor, but they were making strides faster than any other house at that time. Their name was Charles H. Fuller. They had a few years before started the accounts of Postum Cereal and Grape-Nuts and they financed and backed this plan. They started and financed Marshall's Rupture Cure, and they were coming along fast. So I turned and studied their copy and in their copy I saw something that began to give me a dream. (The Charles H. Fuller Co., a Chicago agency, went out of business shortly before Mr. Lasker made his talk in 1925.)

They ran copy that looked exactly like reading matter of the newspaper, in the type of the newspaper, and they told the story as a trained reporter would tell it, just as I had been trained before I came with Lord & Thomas.

Then I understood. I saw they were publishing the news about their clients' products. In those days they had no limitation on facts—they could put anything in as news they wanted—but they would tell the story of someone who had gotten some wonderful result, but they would tell it in a newsy way. So I said to myself, "Advertising is news, that's what it is, and that is why these people's accounts are growing. Advertising is news."

Enter the Copywriter . . . and Big Rewards

So I went to Mr. Thomas, who was one of the finest men I ever knew, and one of the most open-minded men. And I say Mr. Thomas instead of Mr. Lord because Mr. Lord looked only after the finances of the business and Mr. Thomas looked after the business-getting. And I told Mr. Thomas what was on my mind. And I asked him—it may not have occurred in just that way, but I am briefing it—wouldn't he turn over some of his old accounts to me that were not going very well and let me practice on them.

Among other accounts he had where he was only getting 5% commission was that of the Wilson Ear Drum Co. In those days you got what you could. You took it at a close price or, rather, you made your own negotiations for a commission. No two people received the same commission in any house save Ayer.

I believe even at that time Ayer got 15% and had one price to everyone. I never knew a time when they didn't have the very finest of business practice, though lots, in those days, knew a lot more about advertising than Ayer. But Ayer had good business practice to the extent in advertising that he knew advertising. He gave service . . .

But to get back. You will pardon me for reminiscing this way, but I am trying to build up a scheme of things that leads to the advertisement that appears this week in The Saturday Evening Post. So then the Wilson Ear Drum. There was a fellow in the town, and he and I had worked on a couple of papers in New Orleans as reporters, I on the Times Democrat and he on the Picayune. His name was Eugene Katz. We met on the street one day and I told him about Wilson Ear Drum and he thought he could do it if I could produce some art work.

I went down to Louisville and I told them about this wonderful fellow. I think that was the first staging of copywriters' stuff. It really was.

I said to the Wilson people, "Here, you are only paying us 5%, and that is all we ask." They were spending about $10,000 a year and had been for years. They had a picture that was very fine. Our $25-a-week artist looked like the deafest man you ever saw, and they are still using that picture. He had taken a picture of himself like this (illustrating man cupping his ear).

I said to them, "Here, I want to pay this great man $500 for writing this advertisement. I am his manager, and what I get out of it is this: if

You Hear!

When you use

Wilson's Common Sense Ear Drums

The only scientific sound conductors. Invisible, comfortable, efficient. They fit in the ear. Doctors recommend them. Thousands testify to their perfection and to benefit derived.

Information and book of letters from many users, free

WILSON EAR DRUM CO.

103 Trust Building Louisville, Ky.

DEAFEST DEAF MAN—Single column Wilson Ear Drum ad shortly after the turn of the century, featuring the artist who had his picture taken as "the deafest deaf man you ever saw."

it pays you, you give him the $500,'' because I couldn't get that out of Lord & Thomas since they had no confidence in this, you see. ''If it pays you,'' I told them, ''you pay us 15%, and if it doesn't pay you, you quit.'' I didn't know what I was going to do about my job, but I was sure that advertising would do this.

Of course, at that time there was very little total advertising done in the U. S. I doubt if the general agency business of the whole U. S. in volume was as great as that of any of the three big houses alone is today, and naturally, any advertising that had any right for an appeal could pull strongly. There are ever so many elements that we know today go to make up good advertising, but at that time if you had advertising with only one element, it could almost stand lacking in all the other elements.

And within four months they were spending $15,000 a month, a thing unheard of in our house, and were paying us 15%. Their business went great until the electrical devices came, and of course that killed that line.

Well, I went along and made up my mind that if Ayer could get 15%, I could get it. I never got an order at less than 15% myself, and anything they turned over to me, I either got it at 15% within a reasonable time or quit, because my idea of this business was to render service and make money.

I had no desire to make money and not render service, but I certainly had no desire to render service and not make money. That has always been my credo.

I had kept on with Katz for two or three years as my copywriter. Then Katz got free lancing, everybody got using his copywriting, and Katz went in business for himself. He is retired today, a very rich man. And, coincidentally, I happened to meet him for the first time in years down at Miami Beach two months ago, and I had the manuscript of this proposed advertising with me. He was down there with Ernest Gundlach, a competitor of ours, and one night they spent six hours with me going over this advertising and editing it and reconstructing it and giving me their reactions on it. (Ernest Gundlach was the owner of E. T. Gundlach Advertising Agency in Chicago until his death in 1942. He was a famous authority on mail order advertising and the author of several books on the subject, as well as a pioneer in copy testing and research.)

Well, I did so well that in 1904, after being in it six years—now mind you, I am just speaking autobiographically—I had started at $10 a week, and in 1904 I got $52,000, because they gave me a quarter interest in the business. That is what they paid me out of that quarter interest.

Lasker Meets Kennedy and a New Advertising Concept

I had been a partner in the firm about a year and I was sitting in Mr. Thomas' office one day. We were in the Trude building on the corner of Randolph and Wabash, where Marshall Field & Co. are now. I was sitting in Mr. Thomas' office when a note was handed to him. He looked at it and I remember as if it were this morning a peculiar expression on his face and he threw it over to me. The note read something like this:

"I am downstairs in the saloon," which was in the corner of the building and it calls back the good free lunch that went with it, doesn't it? "I am in the saloon downstairs. I can tell you what advertising is. I know you don't know. It will mean much to me to have you know what it is and it will mean much to you. If you wish to know what advertising is, send the word 'yes' down by the bell boy. Signed—John E. Kennedy."

Thomas said to me, "Did you ever hear of such a name?"

I said, "No, never, it means nothing to me."

"Why," he said, "he is crazy. I don't want to waste any time on that man."

I said, "Let me see him. What do you care?"

He said, "All right, see him."

We sent down word "Yes" and Kennedy was shown into my office. He was one of the handsomest men I ever saw in my life. He had been a Canadian mounted policeman. He stood six feet full in his stocking feet, every inch of him muscle, with an eye as keen as could be in a man's head, and a forehead that showed the student.

We sat there until midnight, and when I left that room I knew what advertising was, and I know what it is today. It is exactly what he told me it was that day, and the whole complexion of advertising for all America was changed from that day on, and everybody today understands advertising, and all as a result of John E. Kennedy, one of the great practitioners.

There was old John Powers, who did wonderful work. (Apparently a reference of John O. Powers, ad manager of John Wanamaker and other department stores prior to 1900, and later president of his own agency in New York from 1907 to 1919.) There was Claude Hopkins, who at that time was doing wonderful work, whose teacher was the great John Powers. (Claude C. Hopkins is generally conceded to have been the greatest advertising

My Book Is Free

My treatment too—if that fails.

But if it helps—if it succeeds,
If health is yours again,
I ask you to pay—$5.50.

The book tells all.
I send it to you free
If you but write.

And further, I will send the name of a druggist near you who will let you take six bottles of my remedy,

Dr. Shoop's Restorative

On a month's trial. If it succeeds, the cost to you is $5.50. If it fails, the druggist will bill the cost to me.

Don't Wait Until You Are Worse.

Taken in time, the suffering of this little one would have been prevented:—

"Two years ago my little girl was sick continuously for six months. We tried many doctors, but they failed, yet it took only two bottles of your remedy to cure her, and she has remained cured. You can tell others of this cure if you so desire." Mrs. C. H. Avery, Rockdale, N. Y.

The wife of Omer Andrus, of Bayou Chicat, La., had been sick for 20 years. For 8 years could do practically no work. He writes:

"When she first started taking the Restorative she barely weighed 90 pounds; now she weighs 135, and is easily able to do all her housework."

J. G. Billingsley, of Thomasville, Ga. He writes:

"I spent $250.00 for other medicines, and the $5.00 I have spent with you have done me more good than all the rest."

Both money and suffering might have been saved.

And these are only three from over 65,000 similar cases. Such letters—many of them—come every day to me.

How much serious illness the Restorative has prevented I have no means of knowing, for the slightly ill and the indisposed simply get a bottle or two of their druggist, are cured, and I never hear from them.

But of 600,000 sick ones—seriously sick, mind you—who asked for my guarantee, 39 out of 40 have paid.

If I can succeed in cases like these—fail but one time in 40 in diseases deep-seated and chronic, isn't it certain I can cure the slightly ill?

All You Need Do.

Simply write me—that is all. Tell me the book you need. The offer I make may sound extravagant. But it isn't. It would mean bankruptcy to me, though, were it not for my discovery. That discovery—the treatment of the inside nerves—taught me a way to cure. I do not doctor the mere organs. I doctor the nerves that operate them—that give them strength and power.

And failures are seldom—so seldom that I make this offer gladly, freely—so that those who might doubt may learn without risk.

Tell of it, please, to some sick friend. Or send me his name. That's but a trifle—a minute's time—a postal. He is your friend. You can help him. My way may be his only way to get well.

If I, a stranger, will do this for him, you should at least write.

Drop me a postal to-day,

Simply state which book you want and address Dr. Shoop, Box 3397, Racine, Wis.

Book 1 on Dyspepsia
Book 2 on the Heart
Book 3 on the Kidneys
Book 4 for Women
Book 5 for Men
Book 6 on Rheumatism

Mild cases, not chronic, are often cured with one or two bottles. At druggists'.

ALL OR NOTHING—A full-page ad for Dr. Shoop, which appeared in the Dec. 12, 1903 issue of Harpers Weekly. This was the kind of copy for which the patent medicine company was paying Kennedy a fabulous salary at the turn of the century.

copywriter of all time. He worked for numerous advertisers, and was with L&T for 17 years, during seven of which, during and after World War I, he was president of the agency. He died in 1932.) There was the great Gillam (Manly M. Gillam, who succeeded John O. Powers as ad manager of Wanamaker.)

But all those men, and others—there were maybe four or five men in the U. S. who were able themselves to do advertising, because they inherently felt it within themselves—but none of them knew how to teach it and define it. Kennedy was the one man who did. He is in business now in Los Angeles, in the real estate business, as most of them in Los Angeles are. I don't know that he is the great Kennedy of those days, but he will die a genius. He could have been something; something was wrong that Kennedy didn't become one of the great men of the world—I mean of the commercial world.

So Kennedy said to me, "Do you know what advertising is?" I said, "I think I do," and I told him a story, just as I told it to you. I said, "It is news." I said I thought I knew what advertising was—news—just exactly as the old sailors and astronomers thought the world was flat, and thinking the world was flat, they had worked up a system whereby they had quite a world. But Columbus came along and showed them the world was round. And that is what Kennedy showed me.

He said, "No, news is a technique of presentation, but advertising is a very simple thing. I can give it to you in three words."

"Well," I said, "I am hungry. What are those three words?"

He said, "Salesmanship in print."

It had never before been defined in any dictionary or anything else, "salesmanship in print!" It was that in 1905 when Kennedy told it; it was that before anyone had ever told me, and it will always be that, and nothing else.

It doesn't sound like very much or very startling today, any more than the great mogul locomotive of the Twentieth Century looked startling to me this morning. But if I had been one of those early pioneers that had seen the first railroad in America, my mind would go back to the wonder of that, even when I was adjusted to this.

Kennedy at that time was employed by Dr. Shoop, a patent medicine man. I didn't know it. I had read the advertisements and I thought they were great news. I remember one head, "What Tea Does to Rheumatics." I wasn't a rheumatic, but it sounded to me most interesting. What would tea do to rheumatics? Some day I might get rheumatism.

You see, in those days the patent medicine man was the great advertiser, because advertising not having been defined, and those few who did understand it understanding it only as news, there was no limitation to the news they took. The result was that advertising was in tremendous disrepute. A legitimate manufacturer who was forward-looking and wanted to advertise, very often had to go to his banker apologetically, or even conspire

with himself to hide publicity (if that was possible) from his banker. Most bankers felt in 1898 that any man was an unreliable manufacturer who advertised; he was putting himself in the patent medicine class; it just wasn't ethical, it wasn't being done, it was socially barred, with very few exceptions.

How different today, when the hard thing is to keep the banker from exaggerating in his financial statements and his inflated setups what advertising can do for a business of securities he wants to sell at a profit to himself!

Private Lessons from Kennedy, and a Shining Light

Kennedy was working for Dr. Shoop, and Dr. Shoop it seems was paying him $28,000 a year; and, without any injustice to Kennedy, who has left his impression on many businesses, at the end of about 18 months, valuable as he was to a business, he was through and the business was through with him, and there was nothing either side wouldn't pay to sever relations. Not because Kennedy wasn't a gentleman, but he was such an intense thinker that he would wear himself out and wear out anyone he came in contact with, forcing them to concentrate.

He had this contract, if I remember, that had some six months to run with Shoop, whereby he was to get $14,000 for the six months. Think of it, back in 1905 a copywriter getting $28,000 a year! Think of it! It shows that copy at that time was the all-in-all. We can have all our talks on research and merchandising we want; they are parts in the play, but as Shakespeare said, "The play's the thing." And so in advertising, copy's the thing. Merchandising and research, they are all proper—the scenery that goes with the play, but the play's the thing.

Kennedy came with a letter from Shoop to Lord & Thomas in which Shoop said frankly that they were mutually anxious to end the arrangement, but that Kennedy had done so much for them that he didn't want to separate them without Kennedy being placed. He made this proposal to Lord & Thomas: That if we would take over the contract for the balance of the year, he would give us a check for $7,000 towards the payment of that $14,000.

Well, it seemed silly to pay $7,000 for six months for a copywriter. We had never paid but $15 a week for half time. But Mr. Thomas was a Scotch Yankee, and when I put it up to him that Shoop was paying half of $14,000, that appealed to him.

I want to give you the tradition of the business, if I can, just briefly sketched. Mr. Thomas, until the day he died, was the big boss of this business. I might have been the aggressive, fresh young fellow, but there never was a time, dead or alive, that I didn't recognize his seniority. My good fortune was, I just came in the next generation when the opportunity was to build on what he and Mr. Lord had started, just as others will build on what we are doing.

JOHN E. KENNEDY—This picture of the great copywriter illustrated a page feature in the July, 1904, issue of Judicious Advertising, a monthly magazine published for many years by Lord & Thomas. The article identified Kennedy as "the highest salaried writer of advertising in America," and said that he "actually receives a straight regular salary of $16,000 yearly, with all office and traveling expense." Apparently Mr. Lasker's memory was not clear, when in 1925, he made the comment reproduced in the accompanying instalment to the effect that Kennedy was getting $28,000 a year from Dr. Shoop. Later, Kennedy received $20,000 a year for half time from Lord & Thomas.

Mr. Thomas said, "All right, go ahead, with one condition."

I said, "What is that?"

He said, "That I never have to see the fellow." And he wouldn't, as long as the man was with us. I don't think he ever spoke to him an hour.

Well, this man Kennedy and I sat down and I said:

"I will tell you—the first thing I want you to do is teach me, TEACH me." And I went to him like a pupil at the master's knee. He said, "I will tell you how I will teach you, I will write you out a little lesson each time."

Mind you, here I was; even at that time McKinney of Ayer, who had been the star of the advertising business when I was born, and I were the two big men of the line. I was 24, but by that time, just through this Katz-Lasker news service, I had gotten to be so that I was competing with Mr. McKinney for first honors in the line. (Henry Nelson McKinney (1849-1918) joined N. W. Ayer & Son as a bookkeeper in 1875 and on Jan. 1, 1878, was made a partner. He was the agency's "salesman," and noted as the greatest new business man in the agency field.)

But I didn't know what advertising was. I was like the fellow who uses electricity but doesn't know what force it is. Sometimes he doesn't get the right results; sometimes he does. He doesn't understand the force he is using.

So Mr. Kennedy said, "I will write you a lesson," and I went to him nights and he would write lesson No. 1—Salesmanship in Print—and he explained that advertising was salesmanship in print. I needn't cover that with you now, because it is primitive, but at that time it was trigonometry.

His second lesson was Reason Why in Copy. That, having defined that it is salesmanship in print, then how do you apply salesmanship in print? By giving the reason why, the reason why people should want the goods. Many ways to do that. He gave me a series of lessons and I asked him to write them into a series of advertisements for Lord & Thomas. He did and we saved them.

He worked with no one in Lord & Thomas but me.

Here is the sort of thing that was typical of the advertising of that day, of commodity and agency alike:

Well known advertisers were the Gold Dust Twins, that showed a picture of a couple of little cupids and said,"let the Gold Dust twins do your work." Another was a picture of a nice little girl and it said, "How would you like to have a fairy in your home? Use Fairy soap." Another one was Sunny Jim. He wrote rhymes and was selling a breakfast food (Force). And another was "Quaker Oats—the smiles that won't come off. They eat Quaker Oats."

Another one was Armour's "Ham What Am" The Negro would say, "the ham what am—Armour's." And the next time you would see that ad it would be an Italian and he said, "The ham what ees—Armour's." The next time you saw him he would be a German and he said, "The ham vat iss—Armour's."

Then there were the Van Camp twins, Lena and Ludwig. I was responsible for them. This is confessional as well as biographical. I will treat you as many a man does his wife, and I will only tell you just enough of how I strayed to show you how I have reformed.

Well that was what advertising was, do you see, keeping the name before the people. And, of course, in the competition to keep it before the people, most of them got to kidding their own names—about the worst thing you can do.

That was advertising—sloganizing.

Kennedy Writes Copy for the 1900 Washer

"Well," I said to Kennedy, "let's try this out."

Now, the New York office had a customer—Mr. Holman got them on a bid—and he told me that these people most likely would have to cancel. . . They were in Binghamton, N. Y.

So Kennedy said, "We will get out some of their advertisements," and I remember the one advertisement in particular that he took to teach me was all wrong, and it is just as fine a lesson for you boys today as it was for me that day.

The picture was of an old-fashioned wash tub to the left and a woman to the right, and with a chain and ball and bracelets she was chained to the tub and the headline was, "Don't be chained to the wash tub." And down in the corner was a picture of this new-fashioned washing machine, the first washing machine ever to be made, the 1900, and the advertisement was headed:

"Don't be chained to the wash tub. You are getting old before your time. Your life and health are being ruined. Send for this new-fashioned wash tub, on new principles. It will save you time and money. We will send it to you on 30 days trial, $2 down and $2 a week for six weeks. The 1900 Washer Co., Binghamton, N.Y."

I think that I recited almost verbatim the text of that advertising, because indelibly in my mind is that man's analysis at that time of that advertisement.

'Well," he said, "there just isn't one thing about this advertisement that isn't wrong if you want to sell goods. First 'Don't be chained to the wash tub.' You are speaking negatively. Every woman doesn't feel chained to the wash tub; lots of women might enjoy it. You miss her entirely.

"Second, the average woman is put in the position of a drudge, and slavery ended in '65. She won't know it consciously, but subconsciously she won't want to write and admit that she has been reduced to such bestial servility.

"Again, it doesn't say a thing of what the article you want to sell will do.

"Third, it makes it an instalment plan proposition, and people do not like to buy a trademarked article on the instalment plan because, when it is in the house, everybody who comes in and sees that 1900 washer says, 'Un huh! Two dollars down and two dollars forever!'

Are You Chained To The Wash Tub
Whether a housekeeper does her own washing or not, the worry and work connected with "Blue Monday" literally chain her to the Wash-Tub. We can sever the chain
Let us send you the
"1900" Ball Bearing Family Washer
FREE TRIAL Freight prepaid. No money or promise of any kind is required. Use it for 30 days; then if you do not wish to purchase return it at our expense. We pay the Freight both ways. Unlike all other washers, the "1900" sends the water through the clothes and washes them absolutely clean in six minutes with no wear or tear on the garments or the operator. Perfectly adjusted Ball-Bearings do the same for it as for the bicycle—make it work with little effort
IT IS ABSOLUTELY FREE TO YOU FOR THIRTY DAYS
Write to-day for full information and Free Catalogue.
"1900" Washer Co., 22 Henry St., Binghamton, N. Y.

NOT KENNEDY—A 1900 Washer ad not written by Kennedy, reproduced in Judicious Advertising, magazine published by Lord & Thomas, in February, 1904. The copy is not the same as that quoted by Mr. Lasker, but is similar.

THOSE CHAPPED HANDS
Are the dread of all women who do their own washing—Red and swollen they make one ashamed. There is only one sure cure—Keep them out of water. There is but one way to keep them out of water and still wash the clothes white as snow with little work. Let us send you the
Keeps Your Hands Out of Water
"1906" Ball Bearing FAMILY WASHER
We Pay the Freight Both Ways
freight prepaid—no money or promise of any kind required—Use it for 30 days; then if you do not wish to purchase, return it at our expense. WE PAY THE FREIGHT BOTH WAYS. Unlike all other Washers the "1900" Sends the Water Through the Clothes and washes them absolutely clean in Six Minutes with no Wear or Tear on the garments or the operator. Perfectly adjusted Ball-Bearings do the same for it as for the Bicycle—Make it work with little effort.
Free Trial
IT IS ABSOLUTELY FREE TO YOU FOR THIRTY DAYS
"1900" WASHER CO., 60-C Henry Street, BINGHAMTON, N. Y.

GOOD, BUT—In October, 1904, Lord & Thomas reproduced this non-Kennedy 1900 Washer ad along with the Kennedy ad. This ad measured 350 lines, cost $1,680, and produced 1,498 inquiries at a cost of $1.12 per inquiry.

"And the worst crime of all, it has the one thing that you do know about advertising, no news interest. Otherwise, it is all right."

So I said, "Let's get on a train and go down to see him."

We went down to see them and we found that they did then what people do now, they keyed their advertisements in different papers to show how they pulled. But they didn't have any that were paying.

So Kennedy sat down and wrote that campaign. As a result I believe where they were spending $15,000 a year and going to quit—showing you the power of advertising—within four months, out of receipts, they were spending $30,000 a month, and within six months were one of the three or four largest advertisers in America, and within eight months were doubling and trebling their plants.

Their business went along great as long as—and I say this now in modesty—as long as I could remain interested in the experiment. I had the time for about three years to go to Binghamton every month for four or five days, when I actually ran their business for them, and when I quit going, the business went back. I couldn't keep on going because the business wasn't, big as it was, large enough to warrant me keeping away from everyone else. But it taught me the business.

It also taught me that you can't make any man's business stand up permanently who hasn't within himself the power to stand up, because if you have to make that man's business stand up in that way, you will have to be in that line of business. I want you to get that point, because that is a deep, basic point that I learned back in 1906, and it is just as true today as it was then.

Well, now, here was the advertisement that Kennedy worked out:

He showed a picture of a woman. Instead of being chained to the wash tub, the ad showed a woman in a rocking chair, reading a book, while she was turning the handle of this ball-bearing machine. And the headline was, "Let This Washing Machine Pay For Itself," which would interest anyone. And the advertisement began this way:

"A man once wanted to sell me a horse. And I said to him, 'All right, let me see the horse, let me try the horse.'

"But he said, 'No, if you want to buy my horse, you pay me for the horse and then I will ship him to you.'

"And another man came in and said, 'I have a good horse. Take him and try him. He will win purses for you. And my confidence in him is such that you can pay me out of the purses he wins.'

"And I bought the second horse, and I am glad that I did.

"So when I invented the 1900 Washer I made up my mind that I would let no one pay for the washer; that I would let the washer show for itself that it could do what no other washing machine could do; and here is what I

Let this Machine do your Washing Free.

There are Motor Springs beneath the tub.

These springs do nearly all the hard work, when once you start them going. And this washing machine works as easy as a bicycle wheel does.

There are slats on the inside bottom of the tub.

These slats act as paddles, to swing the water in the same direction you revolve the tub.

You throw the soiled clothes into the tub first. Then you throw enough water over the clothes to float them.

Next you put the heavy wooden cover on top of the clothes to anchor them, and to press them down.

This cover has slats on its lower side to grip the clothes and hold them from turning around when the tub turns.

Now, we are all ready for quick and easy washing.

You grasp the upright handle on the side of the tub and, with it, you revolve the tub one-third way round, till it strikes a motor-spring.

This motor-spring throws the tub back till it strikes the other motor-spring, which in turn throws it back on the first motor-spring.

The machine must have a little help from you, at every swing, but the motor-springs, and the ball-bearings, do practically all the hard work.

You can sit in a rocking chair and do all that the washer requires of you. A child can run it easily full of clothes.

* * *

When you revolve the tub the clothes don't move But the water moves like a mill race through the clothes.

The paddles on the tub bottom drive the soapy water THROUGH and through the clothes at every swing of the tub. Back and forth, in and out of every fold, and through every mesh in the cloth, the hot soapy water runs like a torrent. This is how it carries away all the dirt from the clothes, in from six to ten minutes by the clock.

It dolves the dirt out through the meshes of the fabrics WITHOUT ANY RUBBING,—without any WEAR and TEAR from the washboard.

It will wash the finest lace fabric without breaking a thread, or a button, and it will wash a heavy, dirty carpet with equal ease and rapidity. Fifteen to twenty garments, or five large bed-sheets, can be washed at one time with this "1900" Washer.

A child can do this in six to twelve minutes better than any able washer-woman could do the same clothes in TWICE the time, with three times the wear and tear from the washboard. [*Continued.*]

* * *

This is what we SAY, now how do we PROVE it?

We send you our "1900" Washer free of charge, on a full month's trial, and we even pay the freight out of our own pockets.

No cash deposit is asked, no notes, no contract, no security.

You may use the washer four weeks at our expense. If you find it won't wash as many clothes in FOUR hours as you can wash by hand in EIGHT hours you send it back to the railway station,—that's all.

But, if, from a month's actual use, you are convinced it saves HALF the time in washing, does the work better, and does it twice as easily as it could be done by hand, you keep the machine.

Then you mail us 50 cents a week till it is paid for

Remember that 50 cents is part of what the machine saves you every week on your own, or on a washer-woman's labor. We intend that the "1900" Washer shall pay for itself and thus cost you nothing.

You don't risk a cent from first to last, and you don't buy it until you have had a full month's trial.

Could we afford to pay freight on thousands of these machines every month, if we did not positively KNOW they would do all we claim for them? Can you afford to be without a machine that will do your washing in HALF THE TIME, with half the wear and tear of the washboard, when you can have that machine for a month's free trial, and let it PAY FOR ITSELF? This offer may be withdrawn at any time if overcrowds our factory.

Write us TODAY, while the offer is still open, and while you think of it. The postage stamp is all you risk. Write me personally on this offer, viz.: B. F. Bleber, General Manager of "1900" Washer Company, 92 Henry St., Binghamton, New York.

claim my new machine does. I say whether you use your own time or that of a washer woman, it will save you sixty cents a week, because you have to pay a washer woman $1.20 a day, and certainly your own time is worth as much as that of a washer woman." (I might say, parenthetically, get the subtlety of it.)

"Now, I claim that my washing machine will do in one-half day, with a fraction of the effort, what any other machine known will do in a full day, and that you will save sixty cents every week from the use of my machine. So why won't you let me send you this machine? Try it four weeks at my expense, and whatever the savings are, keep them all for yourself. But after four weeks send me fifty cents of the sixty cents you save for only 24 weeks, and from that time on the machine is yours."

And the inquiries went from $20 apiece and nothing lower than $4 apiece to an average of a few cents apiece.

I had learned.

KENNEDY DOES BETTER—According to Judicious Advertising, this ad (shown in two columns here instead of its original vertical form, to save space) was written by Kennedy, ran in the same magazine as the "chapped hands" ad, but occupied only 149 lines. It cost $715, in the first seven days pulled 1,547 inquiries, at a cost of 47¢ each. "It will ultimately produce 3,000 inquiries at a cost of 24¢ each," the publication said.

L&T Moves Some Files and Hires 9 Writers

So I came back (from working with the 1900 Washer Co. in Binghamton).

Of course, this took the better part of a year. We did two or three other test accounts. Then Kennedy wrote all of this into a book called "The Book of Advertising Tests," because by that time he had shown me how we were to know copy; that you must test copy; that a man could have his problem worked out and he might write half a dozen headlines that would seem equally good, but that when he put them to the public, the public responded to one as it didn't to another.

I remember how Kennedy explained it. He said, "David Belasco can put on five shows. If three out of the five go in any degree, the other two can be failures and Belasco is still the great and the rich showman of America. But if you put on five shows, you will fail with all five. Belasco has all the technique in all these shows, but there is just that one element lacking, whether it is in the written book or the stage production, that a man can't tell for certain, that no one has found yet." And they haven't found it to this day, I will say that. "So," he said, "all advertisements should be tested before they are used. If it is mail order, try them out and get the full result and keep a record," which we did on all our accounts, in those days.

I immediately switched our business, in order to learn the business, and went out to get about 35% of our volume mail order, so I could learn copywriting, because only in the mail orders would everything we did be shown up. In order to teach myself and teach the others, Kennedy and I agreed to get mail order business and we got it to the extent of about 35% of our volume.

We kept a record of the results. Every week the clients would send us the papers and how they paid, and every Tuesday morning we would go over how the papers were doing and order repeat insertions or not repeat, depending on how the paper paid out. It was all run by bookkeeping for these mail order clients.

Subsequently, after having served mail order people in a great degree for about six years, I dropped them, and today I don't want any more than selected ones. They were the great laboratory in which to learn, but after

YOU MUST DO THE SUM TO PROVE IT

Article I

Advertising should be judged only by the goods it is conclusively known to sell, at a given cost.

Mere opinions on Advertising Copy should be excluded from consideration, because opinions on Advertising are conflicting as opinions on Religion.

Forty per cent of all the people in the world are Buddhists, and are of opinion that Buddhism is the only true religion.

Twelve per cent of the world's people being Roman Catholics, are firm in the opinion that the remaining 88 per cent are wrong, and sure of damnation accordingly.

Eight per cent of the world's people being Protestants believe that both the Buddhists and Catholics, and all others, are deplorably ignorant of the only true faith, which of course must be their own particular sect of Protestantism.

And, neither Buddhist, Catholic, nor Protestant, can convince the 2 per cent of Jews that their opinion is wrong and should be changed.

That is a side-light on the inconsistency of mere Opinion.

Religion must continue in the realm of opinion, because no one can decide which Creed is right, and which is wrong, till he dies and finds out the facts for himself.

And, no mere man who died has ever come back to Earth to settle the dispute.

* * *

But, it is different with Advertising, as it is with Mechanics or with Medicine, all three of which can be conclusively tested.

Many advertisers, however, seem satisfied to spend their money on mere Opinions about Advertising when they might have invested it on Evidence about Advertising.

These are the Advertisers whose business must die before they can be convinced that "General Publicity" (merely "Keeping-the-Name-before-the-People") is wrong and "Salesmanship-on-paper" right.

They blindly gamble in Advertising when they might have safely invested in it.

KENNEDY SPEAKING—An example of the writing style of John E. Kennedy is this first page of "The Book of Advertising Tests" which he wrote for Lord & Thomas in 1905, and which Mr. Lasker says drew a terrific response from advertisers. The "book" was a collection of 12 articles, comprising 39 pages of typescript, expounding what Kennedy called "Salesmanship-on-paper." It not only emphasized L&T's ability to write copy that convinced and that pulled, but boasted that the agency paid $72,000 a year to copywriters, and that "no other agency in America spends one-third this sum."

you have learned it, it is like having learned to be an actor in the hard school of stock company in a small town. The reward is on Broadway.

And that is what general advertising is, because you can multiply it so much faster and have so many more outlets. But that is the school which I am trying to unfold to you to show you how tradition is grounded and how deep down our roots go.

So Kennedy got up what we called in 1905 "The Book of Advertising Tests." I had said no word to anyone in our institution of what he was teaching me, no word to anyone on the side. Then we wrote some advertisements.

We were able in those days to get magazines and newspapers to donate the space, a campaign that today would cost hundreds of thousands of dollars. And, to show you how hungry America was to learn what advertising is, in response to these advertisements it was nothing for us to receive hundreds of letters a week from leading manufacturers all over the United States. I doubt if there were 10% of the big manufacturers and advertisers of America who didn't write us at that time.

We might have been a mail order business selling a commodity. And it happened we had a bunch of young men with us at that time, like Erwin, Wasey, Faust, Kester, Hurst and a lot of them who are the leading advertising men of the West today. (Erwin and Wasey, as previously mentioned, formed Erwin, Wasey & Co. Faust was Paul Faust, principal in Mitchell-Faust, Chicago, for many years, and now an executive with Feature Foods. Hurst is J. F. Hurst, one of the principals of Henri, Hurst & McDonald. Thomas Kester was v.p. and general manager of Lord & Thomas until he retired and moved to the West Coast.)

Well, I sat down and trained them like boys going to school. Kennedy couldn't address anybody. He could just take one man and teach him. He taught me for about a year and then I started teaching them. I presume we had a class like this at least twice every week, and the sessions would last four or five hours.

I did that for three or four years, and if there had been any other crowd that had been fortunate enough to have been there at that time, they would have been the leading advertising men of the West today. It was just the good fortune of these men that they were there at that time.

Well, here is what happened. We got so many inquiries that we had to have a copywriting department. You remember? And I went to Mr. Thomas. I am giving you historical fact. I said, "Mr. Thomas, people want to do business with us and we have got to get a copywriting department." But there were no such things as copywriters. So, he said, "Well, what do you want to do?"

I said, "I have been upstairs and I have measured that we can take out all the files against the north windows and all the files against half of

the west windows and we can make nine offices eight by ten each. I want you to let me put up nine offices that will cost about $2,000 to build the partitions, and advertise for nine young newspaper men, and Kennedy and I will start training them, because out of the nine we might only get three or four."

And by that time Thomas had so seen the growth of our business, through the growth of the accounts that we were trying it on. Every one we touched multiplied as if by magic. Is that right? By magic multiplied, whether it was on Katz's or on Kennedy's; but remember Kennedy's was the first of what you also call merchandising.

But don't you see it was not merchandising; the only merchandising an agent must do is to make his copy interesting and responsive, and that, in itself, is merchandising.

Since then merchandising has been perverted to want to make an agent go in and run the other man's business, a function with which he has nothing to do. Of course, salesmanship in print must, in itself, be merchandising, but it is not the form of merchandising that the client himself must be able to do. I am satisfied to say that today our line in large part stands as being expert in those things in which they are not remotely expert. And I will come to that later.

So Mr. Thomas said, "All right." And we got nine men together. Where we got them, or how, I don't know, but how we determined on the figure nine was that there was that many square feet available that we could take out of files—that was it—and leave an aisle to get to them.

Volume Moves Up, But There's a Void to Fill

Well—when I stop to think of the work we did—because had we then had the organization we have today I don't think there is a doubt we would have been doing $100,000,000 or $200,000,000 worth of business, I think we would have been doing more business than the whole advertising field probably is doing at this time.

(Editor's note: The reader should bear in mind that all references to "now" or "at this time" refer to the time when Mr. Lasker made the talk to his fellow workers which is detailed in these instalments. The time was April, 1925.)

We got so many wonderful prospects—many of whom we immediately started to kill—because we were like children who had gone to the great Professor Michaelson and taken the most advanced lessons in mathematics. When it came to the application of them and the professor wasn't there, we had to put our own interpretation on it, because there is so much we couldn't have learned.

I remember one case. Landers, Frary & Clark wrote us and we thought we had to work up a reason-why. We so misunderstood the basic concept that we thought reason-why meant a lot of words, until Kennedy explained to me one day that Cream of Wheat was the greatest reason-why that was ever written. We thought we had to put a lot of words in. Landers, Frary & Clark made cutlery, so we worked out the molecular theory—why the molecules didn't move and therefore the knives and forks remained in a good condition for a long time. Absolutely!

But gradually out of this came men who studied Kennedy's work and then the wonderful work of John Powers and Manly Gillam (both previously referred to as greater copywriters) began meaning something to others and our business grew very fast. I have a book here, "Altruism in Advertising." I think it is in there, published by us in 1911, just six years after I first met Kennedy.

Now, in 1902 our volume had reached $1,995,976. I want to say the year that I came with Lord & Thomas, four years before, in 1898, our volume

Poor Beer *vs.* Pure Beer

Both cost you alike, yet one costs the maker twice as much as the other. One is good, and good for you; the other is harmful. Let us tell you where the difference lies.

POOR BEER

is easy to brew.

The materials are cheap. The brewing may be done under any sort of surroundings.

Cleanliness is not important, for the users never see it brewed.

Any water will do. No air is too impure for the cooling.

No filtering, no sterilizing, almost no ageing, for ageing ties up money.

What is the use of expense and care when there is no reputation to defend?—

When few people who drink it know even the name of the maker.

PURE BEER

calls for the best materials—the best that money can buy.

The brewery must be as clean as your kitchen, the utensils as clean.

The cooling must be done in filtered air, in a plate glass room.

The product must be aged for months, until thoroughly fermented, else it causes biliousness.

The beer must be filtered, then sterilized in the bottle.

You're always welcome to that brewery for the owners are proud of it.

And the size of it proves the eventual success of worth.

Schlitz is a pure beer, famous for fifty years. To maintain its standard, we double the necessary cost of our brewing. Don't you prefer a pure beer, a good beer, a healthful beer, when it costs no more than the common?

Ask for the brewery bottling.

Schlitz

The Beer That Made Milwaukee Famous

SCHLITZ SELLING—One of the full-page ads in a campaign for Schlitz which ran for several years. It was presumably this kind of copy which attracted the attention of Cyrus Curtis and Albert Lasker to the copywriting abilities of Claude C. Hopkins.

had been a little over $900,000. But with just a little understanding of news in copy (as I got business it helped the others to get business) had brought us forward and we had doubled our business, though they had been in business for 30 years before that. In 1903 Lord & Thomas' volume reached $2,451,000. In 1906 it was $3,196,000. In 1910 it became $6,172,354, and last year, 1924, our volume was a little bit under $14,000,000. You can see that we by no means kept pace with the early progress we made.

Now, I want in this talk to trace that step by step for you; but you see that we had the start, because no one did a business like that. And these were true figures. Our growth was so wonderful—you have to take it in percentages, you see—because we began educating men who understood advertising and understood copy.

(It is interesting to compare these figures on volume with those given for N. W. Ayer & Son in "The History of an Advertising Agency," by Ralph M. Hower. In 1898, when Lasker joined the company, Lord & Thomas volume was $900,000, and Ayer did almost twice as much—$1,579,000. In 1902, even though L&T volume had grown spectacularly to $1,995,000, Ayer was still out in front with $2,159,000. The same relative position held true in 1903 (L&T $2,451,000, Ayer $4,107,000), and in 1906 (L&T $3,196,000, Ayer $4,281,000). But in 1910 L&T's volume had climbed to $6,172,354, while Ayer's was $5,464,000. In 1924, the two were apparently running neck and neck—L&T's "a little bit under $14,000,000," and Ayer's at $13,715,000.)

Well, Kennedy quit in 1907. (Kennedy actually left late in 1906 to become a principal in Ethridge-Kennedy Co., New York.) In 1911 he came back with us for a little while in our then New York office, and he was then and is to this day my very good friend and I was and am to this day his very great debtor. The history of advertising could never be written without first place in it being given to John E. Kennedy, for every copywriter and every advertiser throughout the length and breadth of this land is today being guided by the principles he laid down.

It was our good fortune that he came to us to use us as the instrument through which to make known his principles to the world. But we also, in turn, feeling we should benefit thereby, are entitled to be given the credit just as they have to give the credit to Queen Isabella and King Ferdinand for sending Columbus on his trip, though I understand that he was sent by a lady of Rome who liked him very much.

Kennedy left in 1907 and I felt the need of a guiding hand. He had brought me up to a certain height and then everything, all of the props, were removed, because when I got as far as Kennedy taught us, we couldn't go any further.

Well, it happened about a year later, I was on a train and opposite me sat Mr. Cyrus H. K. Curtis. I didn't see him at first, because he was read-

ing. He set down his paper, we recognized each other and exchanged greetings, and he said to me, "Lasker, I am just about to order a bottle of beer as a result of an advertisement that I read, and you ought to go and get the man who wrote that advertisement for your advertising business."

Cyrus H. K. Curtis in that day, as in this, was a great judge of advertising, had a great fundamental knowledge of it and a great belief in it. He showed me the advertisement. It was an advertisement of the Schlitz Brewery, an advertisement with very few words in it, very few. By that time I had learned that reason-why wasn't words any more than the Gettysburg Address was words, or the Lord's Prayer or the Ten Commandments. It was what you said that counted. Sometimes a great philosophical book takes 50 volumes and changes the world's course, and sometimes the Ten Commandments are told on one tablet of stone and change it equally much. It is what you have to say. (Cyrus H. K. Curtis (1850-1933) was the founder of the Curtis Publishing Co.)

So I looked at this advertisement, and, as I remember the advertisement, it said, "We clean our bottles out with live steam and thus there can be no fermentation of Schlitz Beer. Always pure." Only it was very euphoniously worded and in repeating it I lack that expression.

Well, that appealed to me, by golly—beer that wouldn't ferment. I didn't stop to think that I had never heard of beer fermenting, and, as I review it, you know today is the first time that it ever occurred to me that I had ever heard of beer fermenting. But when the writer put the thought in that the bottles were cleaned in live steam, that was interesting. And the answer was that under that campaign within three years Schlitz came from about third place to where it passed Anheuser-Busch, one of our clients, for first place.

It just so happened that at that time we had a client, Frank Van Camp of the Van Camp Packing Co. Kennedy had never done any advertising for him, you see, because I had only been using Kennedy really on mail order things to teach me. But I had been talking to Van Camp about this new conception of advertising and been trying to get him to get rid of Lena and Ludwig (the Van Camp ad characters) and come to reason-why copy. He was spending, and at that time he was one of the best known advertisers in America, about $40,000 a year, and he had said to me, "If you can find me a man whom you can vouch for, I will back your ideas with $200,000 a year."

Well, that was just like getting a million a year today; it was harder to get $200,000 a year at that time. And that year when we did $6,000,000 volume I want you men to know, in 1910, that is more than if we did $20,000,000 today, because advertising must have multiplied three times in the last 15 years. We have not kept pace with the growth; and that is why—that is the purpose for—this meeting: to unfold why I believe we are ready

for the renaissance.

I don't want to wear you out, gentlemen, but it is all going to lead right up when I am through to the advertisement that appeared this week in Printer's Ink. I want to trace the history of that advertisement right step by step; step by step I want to progress right from the first day I came to this house to why that advertisement.

Well, it just happened when Mr. Curtis was speaking to me that I was looking for a man. I had the remnants of these nine copywriters. By that time our business was increasing nicely and we were outstanding. But we were a disappointment to most people, because we knew the principles but we didn't know the application, and the moment I would get a man trained so he did know it, say that I was paying this fellow $4,000 a year; he wouldn't say a word to me but somebody would hire him away at $15,000 a year.

All our competitors, every one of them, had to learn this from us; there was no other place to learn it, and I had a tremendous turnover in men, and our very strength was our Samson's locks. We couldn't make progress easily because of that. And if we got a man who was a good salesman and if he learned the trick, he went into business, because he had "capital." He could go in almost anywhere and say, "I am a Lord & Thomas trained man," anywhere in the West, and he would get business.

And all advertising changed. If you will look from those days of catch phrases and keeping everlastingly at it, down to the simple principles of salesmanship in print and reason-why, you will see what I mean. True, there have been evolutions that have helped a lot, evolutions which I resisted, which I don't think today I was so right in resisting, and I will cover that.

Claude C. Hopkins Goes to Work for L&T

I inquired around who was the man who wrote the Schlitz advertising when I came home and I found it was written by a copywriter who worked for J. L. Stack (Chicago agency man for many years, who was subsequently a partner in Stack-Goble, an agency which was liquidated in 1942), who handled at that time what was the great advertising sensation of America and the greatest advertising sensation America has ever known, before or since—Liquozone. I don't know whether all of you know of Liquozone...

Liquozone was at its height in 1908 and that is 17 years ago. I had always read the Liquozone advertisements, and knew that the man who wrote them was a man who knew advertising. I remember to this day one advertisement of Liquozone that so hit me that I cut it out of the paper and I must have studied it a hundred times. Its headline was the simple word "Judge," bound to attract the eye; and the subhead was "Our Claims at Our Expense." Well, that would make anyone read it, and it was the first time that advanced merchandising was used. And I say it is still the province of an agent to be a merchandiser; I say an agent should be a merchandiser to the extent that merchandising makes copy. He may incidentally get thoughts that will help otherwise, but he can only get them incidentally; if he starts primarily to do that, he will not get them.

Now, the advertisement went on to make claims for this Liquozone, which was a cure-all, and it simply said:

"We are so sure that it will accomplish these things that if you will take this coupon to your nearest druggist, he will accept it as fifty cents, which is the price of a bottle of Liquozone, and he will give you the bottle of Liquozone and we will pay him back the fifty cents" (though, in fact, they paid it back in merchandise). "Thus we are buying you a bottle to prove to you our belief in our claims."

Do you see the difference between that and "Full-sized trial bottle free?" "Full-sized bottle free!" As a gift, you don't put much value on your own goods if you can give it away. But, "We will buy"—that is a different psychology entirely, and I knew that man had the same theory as Kennedy on the washing machine, and I knew he was a kindred spirit.

When I came to look into Schlitz beer I found the man writing it was the

Van Camp's
BAKED
WITH TOMATO
SAUCE
PORK
AND
BEANS
The "Extra"
Quality That
Proves Them BEST
You discriminating housewives who have tried Van Camp's Pork and Beans with Tomato Sauce—you are the ones who know from real experience that there is positively no satisfactory substitute for Van Camp's.
You know this—but do you know why?
It is because Van Camp's have the "extra" care—the "extra" skill—the "extra" touch, which means "Extra" Quality.
And it's this "Extra" Quality which places the seal of superiority upon Van Camp's and sets them apart from all others in your mind.
It gives to Van Camp's their spicy flavor, their piquant tang, their juicy richness, their delicious, appetizing taste.
From the farm to the can this "Extra" Quality is the dominant note in the production of Van Camp's.
It begins with the raising of the beans, the tomatoes and the pork—continues through all the processes of preparation—and finally goes into the can along with the plump and nutty-flavored beans, the delicious tomato sauce, made from vine-ripened tomatoes, and the tender slices of corn-fed, home-grown pork.
Fact is, the "Extra" Quality is an inseparable part of Van Camp's Pork and Beans with Tomato Sauce.
It's the intangible, subtle element which has taught you to think Van Camp whenever you think of pork and beans.
It has proved to you that in Van Camp's are perfectly combined the irresistible goodness which is the dream of both the hungry man and the epicure, and the nutritive properties which give real strength and vitality.
Would you be always prepared to open a can of "Extra" Quality in gastronomical emergencies?
Then keep on hand a full supply of Van Camp's Pork and Beans with Tomato Sauce. But don't forget that "Extra" Quality means Van Camp's.
The Van Camp Packing Company
Indianapolis, Indiana

Try Our Rivals, Too

When somebody says, "Our beans are as good as Van Camp's," please buy them and try them. Serve them with ours—hear what your people say.

Then serve with Van Camp's a dish of home-baked beans. Ask your folks which they want next.

We are willing to leave it to them.

It is easy to say, "As good as Van Camp's." But we spent half a lifetime to get them so good.

That goodness comes, in part, from using Michigan beans. Ours are picked out by hand from the choicest beans grown.

Sometimes they cost us six or seven times what other beans would cost.

Part of the goodness is due to our tomato sauce—made from vine-ripened tomatoes.

We could buy sauce ready-made, from inferior stock, for exactly one fifth what ours costs.

Then we bake in live steam, where you use dry heat.

We bake in small parcels, so all beans are baked alike.

No beans are crisped—no skins are broken. Our beans are nutty because they are whole.

And they are baked in a heat that makes them digestible. Our beans don't ferment and form gas.

The beans, the pork and the tomato sauce are all baked together, securing this delicious blend.

Those are the reasons for that superlative zest—that nuttiness, that mealiness, that you get in Van Camp's.

Van Camp's pork and beans
baked with tomato sauce

Beans are Nature's choicest food—8¢ worth of nutriment.

If you serve the beans that your people like, they will eat them often—eat them in place of meat.

It means a great deal to get the right beans.

When you let your people decide they will choose Van Camp's always. And you should be glad.

For Van Camp's are always ready—always fresh and savory. No work for you—no waiting.

Please make the comparison now.

Three sizes—10, 15 and 20 cents per can

Van Camp Packing Company, Indianapolis, Ind.

LENA AND LUDWIG DISAPPEAR—One of the last appearances of Lena and Ludwig, the trade characters which L&T used for a number of years to promote Van Camp's pork and beans, is shown in the advertisement at left from a 1907 issue of Collier's. At right is similar space in the same magazine about 18 months later, with a provocative "Try our rivals, too" headline.

same man who wrote the Liquozone advertising. I found out that Liquozone was in its second year of his management as a copywriter, and that when he had come to it a couple of years before they had lost every cent of the $100,000 that had been paid in. They had tried and failed, but his copy had brought them to where they had made that year $1,800,000, in the second year after they had had a complete failure before, showing what copy and the appeal in copy will do.

They had no money to buy space. This man would send his plan out by mail to the jobbers and would say to them what he was going to do, and on the strength of the plan he would get them to give him orders big enough so that when he took these orders back to Mr. Stack, the advertising agent, Stack gave him credit.

It happened that I knew a man who owned a little stock in the Liquozone Co. His name was Stephen Hexter. He was then and is now the general manager of the Buck & Rayner drug stores in Chicago. I went to him and told him I would like to meet this man, and he told me that this man had come with them two years before, that Stack had recommended the man to him, that Stack handled the advertising of Dr. Shoop of Racine, Wisconsin—again Dr. Shoop—showing you that advertising was learned in the patent medicine days.

You remember my talk in New York when I said from patent medicine we learned this art, and well we might, because there was no limitation on them as to what they could do. Stack handled Shoop's advertising, and when Liquozone didn't go, he recommended to the main owner of Liquozone, Mr. Douglas Smith, now the main owner of Pepsodent, and my partner there, and a man whom I didn't meet until many years later, the retention of Mr. Hopkins. And Mr. Smith went up and got Mr. Claude Hopkins to take an interest in the business. I never saw two men who believed more in a product than Mr. Smith and Mr. Hopkins believed in Liquozone. (Lasker and Charles Luckman, who was the president of the dentifrice company, were stockholders along with Kenneth Smith, son of the company's founder, when Pepsodent was sold to Lever Bros. in 1944.)

Hopkins wouldn't take it until he tried it. He had a daughter whom the doctors had given up for dying. He gave her this Liquozone, he talked to her, the child fully recovered and is today the mother of several children. Subsequently she became a scientist. Liquozone did the same thing that Christian Science would have done.

Smith had had a similar experience.

But just then Collier's Weekly got on a crusade against patent medicines and led in the attack on Liquozone, and both Smith and Hopkins felt that they did not want to push a business that was subject to attack, even though they believed in the business. But they made that year $1,800,000 and I induced Hopkins to come with us on part time to do the Van Camp advertising.

I found that Mr. Hopkins was even a stage further advanced in advertising than Mr. Kennedy had been, and that association thus begun between Mr. Hopkins and myself lasted for 17 years, the most intimate kind of association. I never knew a finer, more earnest man than Mr. Hopkins. No greater advertising man lived or ever will live, and all the advertising world shows the indelible mark of Claude C. Hopkins. In fact, the two men who most affected modern advertising happened to be my associates, and I have traced it out.

During the course of his years with us Mr. Hopkins wrote many books on advertising and the demand for these books, inquiries by the thousands, showed how hungry the advertising world was for them. In fact, up to about 1916 I think we advertised each year the new development that we had made in this institution.

At that time if you had asked me who were the good advertising agents in America I wouldn't have honestly recommended anyone but Lord & Thomas. I didn't believe in anyone else. But many a man studied the work of Hopkins and Kennedy and studied the work of Lord & Thomas, and we could only handle one product of a kind. They copied what we did and some of them improved on it in many ways.

The Prologue Ends; Lasker Takes Full Control

I remember well going to John N. Willys when he bought the Pope plant and didn't have a cent, and none of the manufacturers of automobiles believed in advertising, and saying to John N. Willys that if he would leave it entirely to me, I would advance him $200,000 to prove what advertising could do to build up a client, but that he mustn't interfere.

John Willys said, "All right." He didn't have any money, therefore he didn't have anything to lose. I gave The Saturday Evening Post the first offer it ever had for a double page ad other than a center spread. It was supposed you could only use a center spread for a double page. The reason I did it was that when we worked out a story on a thing as news, the automobile, we found we could make it much more compelling in a double page.

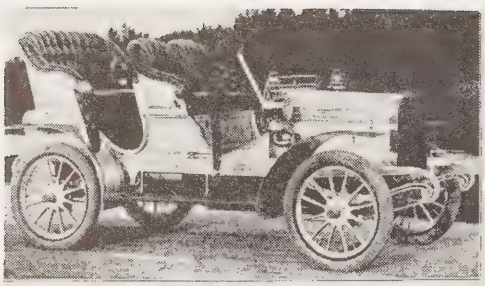
Then there came to us Reo, and we handled several autombile accounts. That was the beginning of all big, modern advertising in the automobile field, and I am just having some of it dug up to prove my point.

Someone said to me that they felt the Chrysler advertising was wonderful advertising, that announced the Chrysler car. It was. It was wonderful because it was news of a new car. In the last number of years there have been scores of failures of established car makers, but no one started a new car, and so this was news.

I am digging up these old advertisments of 15 years ago that we did for Hudson when they started—Reo, Overland—to show that the Chrysler advertising was identically and exactly what we did 15 years ago to get these people started, with no change at all save to describe Chrysler instead of the people we described, because we had to give salesmanship in print and the reason why.

So what did we do? The people lacked confidence that an automobile could go. It was in the early days, with all kinds of troubles. The automobile was the horseless wagon; the boys stood on the street corner and hollered to the man as he passed, "Get a horse! Get a horse!" So you had to make the people believe in them.

And the quickest way that Hopkins and I saw to make them believe in the product was to make them believe in the man behind the product, so we always exploited the man, on the theory that if we could make the man



The WINTON *of* 1905.

Model C (Shown Above)	16—20 Horse-power	$1800
Model B	24—30 Horse-power	$2500
Model A	40—50 Horse-power	$3500
Model A, SPECIAL, same as Model A, but with Special Limousine Body,		$4500

EASIEST controlled car in existence! One lever—no shifting. Automatic "Fool-proof" Motor. Does its own work indefinitely without "tinkering" or adjusting.

Four upright cylinders, fed by one single Gasoreter (Carburetor), and fired by one single Magneto (Electric Sparker).

Simplest and best system we ever used.

No Dry Cell Batteries. No Storage Battery. No Multiple Vibrator Coils. No Irregular Ignitions. No Gauges to Watch. No Lever moving necessary to vary speed in regular running.

No getting under seats nor crawling below car, to inspect or repair working parts.

Motor instantly accessible by merely lifting hinged top of hood, which is forward of dash and connected Control Rod and Levers covered by turning a thumb screw.

[illegible] seconds, by simple [illegible] under driver's foot, turning a handle and lifting off cover of Aluminum Casing.

New patented Steering Gear.

No "worm" to wear into "lost motion," nor to wedge, (when worn) in dangerous places.

Safest, surest, simplest Speed-control.

All speeds, graduating from 4 miles an hour, to 40 miles an hour, available by merely pressing right foot on pedal.

The $1,800 Winton is shown in above picture. Same Power as last years $2,500 Winton, but lighter Car.

Note it's dashing Style, and shapely graceful, lines, and its sidedoor entrance.

Note its new patented Twin Springs that adjust themselves automatically to light or heavy loads, adding ease to the Car, protection to Motor, and longer Life to the Tires.

[illegible]

[illegible]

Peerless

Direct Drive Touring Cars

For 1905

24 H.P. 30 H.P. 35 H.P. 60 H.P.

Prices from $3,200 to $6,000

Motor construction exactly like that in the famous Peerless Green Dragon racing car driven by Barney Oldfield. Elegant side door bodies—4 forward speeds. Powerful brakes applied directly to wheels.

Simplicity of Construction
Perfection of Control
Absolutely Dependable

Catalogue now ready.

Peerless Motor Car Co.,
30 Lisbon St., Cleveland, Ohio.

NO SWEET TALK—Even in 1905 Lord & Thomas was not mincing words, as indicated by this spread from Judicious Advertising showing "real advertising" and "real waste." The Peerless ad, on the right, obviously not done by L&T, was described as "a Beautiful Example of REAL WASTE—of the Sheer Squandering of Good Money on the part of the Magnanimous Magazine Advertiser. This pretty pictorial pandering to Art for Art's Sake, as opposed to Advertising for Business Sake, has a Commercial Value of About 8 Cents."

behind the product great, then the public would accept his product as great.

I give this parenthetically to show interpretations of salesmanship in print and the reason-why. But I have strayed from the main point I was making.

After about 1915 we got out only one more book, because we had pretty well enunciated the fundamental principles of advertising and we didn't get much response and request for our books any more, because the truths that we had learned first by that time had rapidly spread. If anyone had asked me from 1905 to 1915 to recommend to them another advertising agency, with two or three exceptions I couldn't have honestly done it, because I didn't believe in them; I knew they didn't know.

But today the country is full of good advertising agents, of men who know the advertising business. It is full of men I wouldn't hesitate to ask to do my advertising and feel safe in their hands if I wasn't connected with Lord & Thomas. Advertising, out of that crystallitic stage has become a full-grown profession, and I believe today it is more exactly known by a greater percentage of men in it than are law and medicine known to the men engaged in those professions.

Now, I am proud to be in a line that has so many able houses in it, and I trace for you the history of modern advertising, that the impetus for it and the genius behind it was first in this house, and each of you can prove it for yourselves, prove it to yourselves intellectually, so you won't have any doubt in the world about it, and I will tell you how.

You know how businesses get reckless when they are poorly managed in certain ways. Unfortunately we only kept, in the course of years, one copy of each book, and that is all we have left. But if you will take the time and read these eight or nine books that we published (printed in them is the year they were published) you will see from the style in which they were written that the facts therein written are disclosed as facts that undoubtedly were never written before. The very style of writing, the very method of presentation, shows that it has to be written to readers who had never before comprehended or thought of these things, and that it was in a field where no one had. Do I make myself clear? Any man can prove that to himself. So it means something to you traditionally to be in the cradle home of modern advertising.

Now, that covers the first stage of our development as known to me That is the first chapter of my history with this firm. This is a play with a prologue and three acts written and an epilogue to be written that I hope will be never ended. Most of you will only play your part in the epilogue. The prologue was Lord & Thomas in the twenty-odd years of the early stages of advertising, before I came with them, and the first two or three years that I was with them.

The first act includes Katz and Kennedy and Hopkins.

Now I come to the next stage, to the next period.

There have been an awful lot of personal pronouns in my talk here today, and I have a reaction against a man who talks about himself. I am not talking about myself; I have to use the personal pronoun so much because I am trying to tell you the history of the business as I view it and the part I played in it as a pupil under men who taught me.

Undoubtedly if Mr. Bullis or Mr. Troupe, who have been here longer than I have, would tell you the story of Lord & Thomas, they would have to tell it to you with the personal pronoun, from the angle at which they saw it. It merely means the angle at which I sat in the picture, from which I saw it. But, at the same time, I have to use the personal pronoun because the history of Lord & Thomas was so much affected by my own personal actions in history.

I might say that Mr. Thomas died in 1906 and by a contract between Mr. Erwin and myself, who became his partners on Mr. Lord's retirement in 1904, Mr. Thomas' interest reverted to us. In 1912, or maybe sooner, I bought Mr. Erwin out. Mr. Erwin is in business today with the very able, fine firm of Erwin, Wasey & Co. (He died in 1926 at his home in Winter Haven, Fla.) Mr. Erwin had been with Lord & Thomas for many years before I was with them. We were men who separated the very closest of friends, and in all the years I was connected with Mr. Erwin he never did anything but give me the fullest opportunity and tell me he believed in me, and if he ever had any opinion differing from mine, he was always insistent on giving my opinion free sway.

But Mr. Erwin understood that I felt that advertising had not been explored and was not understood, and that I wanted to do constant experimentation, and it worried me every time I did something that caused a loss of a lot of money, as I did in the course of all these years. When I did something that made money, it made me happy, and when I did something that lost a lot of money, it worried me and it cramped my style. I told him that I wanted to be a free lance so I could try out anything or refuse to do anything that anybody might suggest, if I desired.

Mr. Erwin had ideas which he wanted me to try which I didn't want to try and wouldn't try—ideas that I have since been forced to adopt and that helped him build up a great business and that we had to take into our business. I want to give you all the facts.

I know now that what he adopted was something that makes advertising commercially more salable and palatable to an advertiser, yet has nothing in the world to do with results. I wanted to take all this out of the agency business, I wanted to refuse to give it to advertisers, and refusing to give it almost put me out of the agency business. It was a great error of judgment, but it came only from love of the art. I hated to see this great art,

this great force, dolled up like a Christmas tree, in things utterly extraneous. (Mr. Lasker is apparently referring to art in advertising, to which he had a strong initial aversion. He wanted functional illustrations not "art.")

I could not and would not say that to any advertiser today; that would prejudice them against us. But if I was an advertiser of anything I owned alone—and there are a few wise advertisers—I would show them basically it was copy—copy alone—that makes advertising pay.

He Spreads Himself Thin and Has a Breakdown

But the mistake that I made was this. I had no faith in art in copy. My theory was, and is, this, but my interpretation was wrong, and my competitors proved it was wrong and I admit freely not only that it made advertising more salable, but that it made advertising pay better. I was wrong.

My theory was this: That a picture should only be used where it told a story better than words. My theory was, further, that there are pictures that can tell stories much better than any words can ever tell them, and the proof of it is that every newspaper has a cartoonist or cartoonists, and wherever they have a major policy that they want to put over, they use cartoons.

The whole world gasped 30 years ago where William von Hohenzollern was leading through a cartoon showing him dropping Bismarck off the side of a ship, and the title of the cartoon was, "Dropping the Pilot Overboard." All the books, all the columns written, didn't appeal to the hundreds of millions like that one cartoon that is remembered today, by Thomas Nast, that greatest of all cartoonists, who put Boss Tweed in the penitentiary through his cartoons, long after all the newspaper space had failed, because the story got home so quickly. And I knew now, many years later, the world remembers McCutcheon's tribute to Pope Leo XIV, when he died, as they don't remember any of the tens of millions of columns written about him, for that cartoon was reprinted by most of the papers in all the civilized countries of the world. It simply was a picture of the world, of the globe, and a band of crepe around it.

So the same theory ran through my mind always, and does today, on the use of pictures in advertising. If you want just pictures for pictures' sake and an art gallery, remember that advertising is commercial. Pictures should have the same relationship to the advertisement that a cartoon does to the editorial columns of a newspaper.

In editorial columns the thought is there, but the newspaper puts an editorial over stronger through a cartoon than it will through all its arguments, because more people can read pictures than can read type. I have always believed in pictures, but I fought the "art" in pictures, feeling that the art would get so dominant that the cartoon part would be lost. Do you follow me? That the very fineness of the picture would kill the cartoon.

Well, I was wrong, because there was a way to work it out. There are no

more necessary nor valuable members on the staff of Lord & Thomas today than our artists, and they have improved the quality and the pulling power of our copy. I was wrong, because (I have to talk of myself) I was tired out, I was worn out.

I had started here in 1898 and by this time it had gotten to be 1912 and I had known nothing but work. It may not sound like much to you, but I wouldn't give 50 lives for having lived with those men who defined advertising and proved it. But it was hard work living with them and managing them and training others to do it. And the awful turnover that came in our business—we couldn't hold men, because they could make so much more elsewhere.

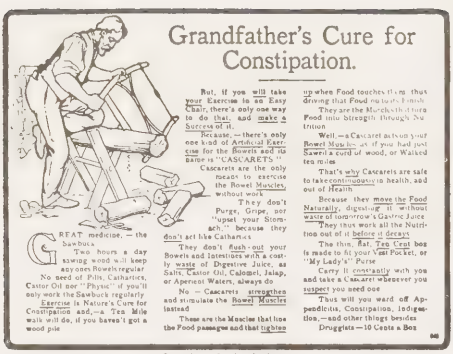
I couldn't afford to pay them, and I will tell you why. One might say, "Why couldn't you pay them as much as anybody else?" The answer is, because our line got so you could only take one in a line (that is, competitive accounts could not be handled). Here I would have a tire account or an automobile account. There would come along one of these fellows, and I was paying him $10,000 or $15,000 or $20,000 or maybe $25,000 and he could get another automobile or tire account and make several times as much, and the very fact that we were so good forced on us a constant turnover.

That is why today when there are so many good advertising agencies, our turnover should be infinitely less, our turnover in men. In a subsequent stage of our business our turnover was very large, for another reason, which I am going to cover with you in due course.

But by that time I was just worn out, and my wife took me to Europe, where I had a breakdown that kept me five and one-half months. I couldn't talk five consecutive minutes without starting to weep. Finally I had to be left in a sanitarium. You think managing copywriters is a snap! You have taken some hairs out of me!

But it is all right. I get a thrill out of every one of the great ones I ever met. I get a thrill, and I want to say that today I believe—I know—the best copywriting is being done in Lord & Thomas that ever was done in its history. Never was there such good, able copywriting done as is being done in Lord & Thomas today. As those who are great men who are here now pass (out of advertising), which I hope they never will until circumstances force them to retire, I will pay my tribute to them in meetings like this, but I never tell a man while he is with me what I think of him, either way. That may go both ways.

Now, I am forced to talk about myself and my health because it has a lot to do with this business. This business went up and down. Mr. O'Dea is beginning to be an old timer. (Mark O'Dea, for many years a copy chief at L & T, helped write some of the house ads which were the principal reason for the L & T staff meeting at which this speech was made. Mr. O'Dea was later—1930-1943—a partner in O'Dea, Sheldon & Canaday and


Grandfather's Cure for Constipation.
But, if you will take your Exercise in an Easy Chair, there's only one way to do that, and make a Success of it.
Because,—there's only one kind of Artificial Exercise for the Bowels and it's Same is "CASCARETS."
Cascarets are the only means to exercise the Bowel Muscles without work.
They don't Purge, Gripe, nor "upset your Stomach," because they don't act like Cathartics
They don't flush out your Bowels and Intestines with a costly waste of Digestive Juice, as Salts, Castor Oil, Calomel, Jalap, or Apericot Waters, always do
No — Cascarets strengthen and stimulate the Bowel Muscles instead
These are the Muscles that line the Food passages and that tighten up when Food touches them, thus driving that Food on to its Finish.
They are the Muscles that turn Food into Strength through Nutrition
Well,—a Cascaret actually put Bowel Muscle into action as if you had just Sawed a cord of wood, or Walked ten miles
That's why Cascarets are safe to take continuously in health, and out of Health
Because they move the Food Naturally, digesting it without waste of tomorrow's Gastric Juice
They thus work all the Nutrition out of it before it decays
The thin, flat, Ten Cent box is made to fit your Vest Pocket, or "My Lady's" Purse
Carry it constantly with you and take a Cascaret wherever you suspect you need one
Thus will you ward off Appendicitis, Constipation, Indigestion,—and other things besides
Druggists—10 Cents a Box
GREAT medicine,—the Sawbuck
Two hours a day sawing wood will keep anyones Bowels regular
No need of Pills, Cathartics, Castor Oil nor "Physic" if you'll only work the Sawbuck regularly
Exercise is Nature's Cure for Constipation and,—a Tea Mile walk will do, if you haven't got a wood pile

Original size—5 inches, 3 columns.

Six Shots for 10c
A Friend in Need—
Cascarets
Cure Constipation
THAT thin, little, 10-cent Box of Cascarets.
When carried constantly in your Vest Pocket, or in "my Lady's" Purse it will ward off ninety per cent of Life's ordinary Ills.
Eat one of the six candy tablets contained in that "Vest Pocket Box" whenever you suspect you need one.
It can't hurt you, and is sure Insurance against serious sickness.
When you have Heartburn, Colic, Coated Tongue, Suspected Breath, Acid-rising-in-throat, Gas-belching, or an incipient Cold, take a Cascaret.
Remember, all these are not merely Discomforts, but indications of a serious Cause.
Nip them in the bud—eat a Candy Cascaret. Cascarets don't purge, nor punish the stomach like "Bile-driving" Cathartics.
They act like Exercise on the Bowel-Muscles that propel Food, and that squeeze the natural Digestive Juices of the body into Food.
Cascarets ward off, or cure, the following diseases.
Constipation Biliousness Indigestion Dyspepsia Torpid Liver Appendicitis Rheumatism
Catarrh Colic Headache Diabetes Dizziness Scrofula Pimples
Hives Jaundice Bad Breath Nausea Vertigo Boils Pimples
Worms Piles Ulcers Blotches Eczema Dysentery
The Vest Pocket box carried constantly with you, like your Watch, or Lead Pencil, will insure you against sickness.
But, don't forget that "a Cascaret in time is worth nine.
At all Druggists. 10 Cents a box.

When the Telephone has a Bad Breath
THAT'S the time to take a Cascaret.
—When your Tongue is coated—
—When you have Heartburn, Belching, Acid Risings in Throat,
—When Pimples begin to peep out,
—When your Stomach Gnaws and Burns,
—That's the time to check coming Constipation, Indigestion and Dyspepsia.
One single Candy Cascaret will do it, if taken at the right minute, just when you first feel the need of it.
A "Cascaret in time is worth nine" later on.
Cascarets don't Purge, nor Weaken, nor waste Digestive Juices in flooding out the Bowels, like Salts, Castor Oil, Cathartics.
But,—they act like Exercise on the Muscles that shrink and expand the Intestines, thus pushing the Food on naturally to its Finish.
The little thin, flat, Ten Cent Box is for your Vest Pocket or "My Lady's" Purse.
Carry it constantly, like your Watch.
Warranted to Cure
—Constipation
—Indigestion
or Money Refunded
They act like Exercise.
Cascarets
for the Bowels
10¢
10¢

These Cascarets advertisements prove—as plainly as any single series could—the Lord & Thomas idea and ideal of *service*

They do not represent one of the *Occasional* or *Accidental* Hits, in advertising, but furnish an example of our *every day* product: our steady output of plain, earnest, *Reason-why* copy—that kind that *carries conviction*

"Reason-why" advertising is in direct contrast to the so-called "general publicity" which undertakes simply to photograph the name and brand upon the public mind

Instead of being a mere *gentle* reminder, it is a *positive selling force*, appealing to the sense and *reasoning ability* of the reader by logical, convincing arguments and the presentation of *new thoughts*.

"Reason-why" copy *sells goods*

It *removes* advertising from a *speculative basis*. Takes the *initiative*. Supplies the *incentive*. May be *relied upon* for a *definite* showing in *results*.

If you care to learn more of this kind of advertising—*our* kind—address

LORD & THOMAS,
Trade Bldg, Chicago.

NO FANCY ARTWORK—These two pages, from the December, 1904, issue of Judicious Advertising, house organ of Lord & Thomas, emphasize Mr. Lasker's insistence that "art" was to be simple, and not distract from the sales message. The Cascaret ads are presented as evidence of "our steady output of plain, earnest, reason-why copy . . . logical, convincing arguments and the presentation of new thoughts."

a prominent writer on advertising subjects. If I would go up the business would come up; if I would go down, the business would go down. It was all built around my personal contact with my associates. Is that right? Showing that I was not a trained executive, I had no experience in being an executive; I had been a newspaper reporter.

I came here expecting to stay only a few months, to learn something about the business end (of newspapers). Then I got intrigued by the great force with which we were playing and, as a student of that force, I got bit; but I was no executive. I didn't have in me the instincts of an executive. If I felt pleased with a piece of work, I said it, and if I didn't, I said it; and if a man didn't do it well enough often enough, I didn't have the patience—I just said "good-bye" to him; and if he did a piece of work awfully well, I praised him so much that he got a swelled head so that it was impossible to live with him. I spoiled a lot of them, because I loved, as I do today, advertising well done with a passion that a horse lover loves horses.

Well, I broke down, I was sick. I stayed five and one-half months in Europe. I came home for one month and saw I couldn't work. I went down in Mexico for four months. I came back. By that time we had grown to about $8,000,000 business. We kept growing. I came back just as the war started in 1914.

By that time I started having a little money and I had invested with clients at their request. But the war came on and I was spread out thin and I had to give my time to my thin spread and I couldn't give it to Lord & Thomas. I virtually stepped out during the war; I had to let the boys run the business. Erwin and Wasey left at the beginning of the war. Well, they left then, and just at that time I stepped out of the business to look after these outside investments. You see, when I would advise a client to push his business I would say, "To prove to you that I believe what I do, if you want, I will put money into it," and finally I found myself with several enormous institutions on my hands, as the manager of them, and I couldn't attend to Lord & Thomas.

And I proved what I am going to say to you, that no advertising agent should be the inspiring genius of a business or it will fall, because I failed with every one of these businesses; and every client I ever had whose advertising I did, who didn't have me in the management of the business, succeeded.

I am going to talk to you about that at great length later on, to prove to you out of my own experience, with more experience in that direction, than any man, the limitations of an advertising agent. And there isn't a one of those businesses that I failed in that I don't believe if I had stepped out of the advertising business and gone into that business entirely, I wouldn't have made a tremendous success out of.

Well, I got so rushed with these other businesses that I couldn't keep in touch with Lord & Thomas closely enough . . .

I had so much to do with the outside businesses that I couldn't office with Lord & Thomas any more and I built myself a private suite of offices in another part of the building and was forced because of war conditions and my large outside investments to devote my time to my other interests. So I ran Lord & Thomas incidentally, the same as I ran these other institutions. I had my own office force and separate offices. I was in the same building a month without going up to Lord & Thomas.

Col. Theodore Roosevelt Captures an Adman

By that time I was pretty well broken down and tired. One day in June (1918) a man sent his card in with a letter of introduction from one of my partners in the Van Camp Packing Co., of which I was a fourth owner, where we had millions of dollars invested. (I have subsequently sold out to others.)

He sent in his card with the name Will H. Hays on it. That name meant nothing in my young life. I had never heard of it. But the letter of introduction was from a man who was, and is, one of my closest friends, and I asked this man to come in.

(Will Hays was a lawyer, chairman of the Republican National Committe, Postmaster General under President Harding, and subsequently for many years "czar" of the motion picture industry as president of Motion Picture Producers and Distributors of America Inc.)

Now, I hadn't followed politics much; I am just like the average business man. But he told me that a few days before there had been a reorganization of the Republican party at St. Louis and that he had been elected chairman of the Republican National Committee; that there was to be a big election of senators and congressmen in the fall of that year; that the Republican party, disintegrated in 1912, defeated in 1916, was without money. The thing they needed the most was propaganda. They needed someone who had taken sick businesses and made them well, and, through being a resident of Indiana, he had learned of my connection with the Van Camp company, and he made up his mind that a man who could take that business from a sick one to one which at that time was going very well, making huge sums of money, and put it on its feet, could help him with the Republican party.

He couldn't pay me any money; he couldn't give me anything but the glory of service well done. And I was just as interested as if he had asked me to become chief ballet dancer with the Russians. However, in the course of the conversation he said not to give him an answer, but the next time I went to New York he wanted to take me down to Oyster Bay for lunch with Col. Roosevelt and talk it over. Now I had worshipped at Roosevelt's shrine and had heard of him all my life, and I thought to myself, "Sure, I will go down and talk to him; I am tired, it will be an interesting experience."

I went down. Will Hays got me in a machine and drove me out to Oyster

"You Can't Beat Someone With No One"

A political axiom that fits advertising

POLITICIANS have an expression: "You can't beat someone with no one." The opinion held by many of the knowing ones that Coolidge could be re-elected is somewhat influenced by that thought.

"Coolidge," they say, "is today America's outstanding political someone. The only one everybody knows. The only one whose achievements everybody knows. All other aspirants, no matter how deserving or how well known, do not achieve being the political 'someones' Coolidge is today and therefore Coolidge could be re-elected if he chose to run."

The same problem of "being known" presents itself in advertising. If you advertise in a field where a competitor spends five hundred thousand dollars you can't expect to beat him with a fifty thousand dollar appropriation. If he spends five million dollars you can't expect to shake him with five hundred thousand dollars.

That's because the most heavily advertised product in any field is Someone in the public's mind. And thus is hard to shake. To be someone yourself, in the mind of the millions, you have to use heavy ammunition too.

That does not mean that a fifty thousand or a five hundred thousand dollar appropriation cannot be made to pay even in a field where there is a ten times as great competitive expenditure. But to expect leadership under that handicap, or even near leadership, is a folly. Jack the Giant Killer lives outside the realm of modern advertising.

Outstanding leadership in advertised lines is held by advertisers who believe the best advertisement in the world means but little unless it is published as widely as its competitor's advertising. And that means expenditures based on what competition spends in the field. It may be one hundred thousand dollars or it may be a million. It varies with the field.

Take any branch of advertised industries, and the point proves itself: Take General Motors, Hudson-Essex, Chrysler, Nash in the automobile field. Take Palmolive, Ivory, Lux, Lifebuoy, Woodbury's in the soap field. Take Quaker Oats, Kellogg's, Post in the cereal field. Take Pepsodent, Forhan, Listerine, Colgate, Pebeco, in the dentifrice field. Take Campbell's Soup, Lucky Strike Cigarettes, Camels, Chesterfields. Take Phillip's Milk of Magnesia, Bayer's Aspirin, etc.

All are the "Someones" of their respective fields.

And they stay that way by continually letting the reading millions know that they are Someones more widely than their competitors.

Which makes it very difficult for a No One to take place with them in their fields.

Common-sense advertising principles dictate that where leadership, or place among the leaders, is the goal—competitors' dollars must be matched, to more or less extent at least, with your own.

LORD & THOMAS AND LOGAN
Advertising

CHICAGO
400 North Michigan Avenue
LOS ANGELES
1151 South Broadway
SAN FRANCISCO
225 Bush Street
NEW YORK
247 Park Avenue
WASHINGTON
400 Hibbs Building
LONDON
Victoria Embankment

Each Lord & Thomas and Logan establishment is a complete advertising agency, self contained; collaborating with other Lord & Thomas and Logan units to the client's interest.

TIMELY TOPICS—This ad for Lord & Thomas, which was published in 1927, makes a pertinent and timely political observation, and an equally interesting observation on the powers and limitations of advertising.

Bay for lunch. We got there and I will always remember Col. Roosevelt waiting for us on the front porch. He was dressed in khaki, with khaki shirt, khaki pants and boots and no hat, and as I came up he put his arm around me and he said, "I am glad to meet you, Lasker." Hays had tipped off to him who he was bringing. He had studied the name.

He said, "I am glad to meet you, Lasker. They tell me you are America's greatest advertising man." And I am not telling you this to show how smart and quick I was, because here is what I shot back. I said, "Colonel, no man can claim that distinction so long as you live." Just like that!

Well, I made my mistake right there, I mean in going to Oyster Bay, because it was impossible to come under the influence of Theodore Roosevelt without doing what he wanted. He was irresistible, because he was so faithful, he was so dynamic, so generous, he was so patriotic—he just was everything that appealed to any red blooded man. And, by golly, with no more idea at the start about the Republican party than going home and murdering my wife and children tonight, I left Oyster Bay and only saw Chicago in the next five months for three days. I stayed right there.

They settled me down in the Knox Bldg. at Fifth Ave. and 41st St., and there is where I met that other assistant of Will Hays for the first time in my life, Ralph Sollitt. He was his executive assistant. I was Will Hays' propaganda assistant; and all the years I was gone from Lord & Thomas and all the things that didn't go forward that should have gone forward with Lord & Thomas, will be made up many times over to Lord & Thomas through the coming of Ralph Sollitt. Ralph Sollitt has supplied to the business the one thing which I never had and which it is going to be hard to ever give to me—executive ability. I know I have it in certain ways, I can do individual jobs, but I don't think I care to be a real executive.

(Ralph Sollitt was a lawyer and friend of Will Hays, who worked with Mr. Lasker on the Republican National Committee and later served as assistant chairman of the Shipping Board under Lasker. He joined Lord & Thomas as Mr. Lasker's assistant in the fall of 1923, and was put in charge of the Chicago office. He became president of the agency in the early 1930's and retired in 1935.)

Well, we started down there. How Roosevelt got me was this:

He sketched to me how he felt a peace was about to come and that Wilson's mind would drag us into Europe and it must be resisted, and on that I was a fanatic. My father had come to America in 1854, an immigrant boy, to get away from the European system that was grinding down individualism. I had been trained with the Anglo-Saxon viewpoint of individualism, and I thought that Europe was so blighted by the centuries preceding that it forced them into the condition that they were in, and that America could only help Europe by staying independent. Deeply burned into me then, as today, in the deepest fibre of my being, were the precepts of Washington's

Farewell Address. And that is how Roosevelt got me.

I went down there and there was old Ralph and Will Hays and about 12 of us and a Negro usher, and between us all, none of us had ever been in the national headquarters and none of us knew much what the shootin' was about. But we worked all summer and, with the peace about to made, with an election held ten days before that peace, when everyone knew peace couldn't be two weeks off, with a President who had led America successfully through its greatest war, a Republican Senate and House was elected, and that Senate prevented America going into Europe. I don't believe America ever produced a greater man, with greater ideals, one who will leave his mark of fineness on the history of mankind, more than Woodrow Wilson. There is no limit to my admiration for him that way. But at this time to have put his dreams into effect would have been, to my mind, calamity for the world.

All right. We finished that election. By that time my private fortune, my private business, my private affairs didn't count with me, because I was determined for the sake of my country, which had given so much to me and my family, to do what little I could to defeat the possibility of America's going into Europe. I became one of a group who rallied around Hiram Johnson (Senator Hiram Johnson of California) to run him as the representative of the "fourteen irreconcilables" (a group of senators opposed to U. S. participation in the League of Nations) for the Presidential nomination. Not with any thought that he could get the nomination, but that he would show such strength in a primary campaign that the Republican party, no matter whom it nominated, would be forced to commit itself against our entrance into Europe. The result was I didn't see Lord & Thomas then all during 1919 and up until the convention of 1920. And when the convention was over and Warren Harding nominated, I wanted to get back to my business, because the business had been running in a rather loose way. I will trace that situation for you later.

But a week after the convention the candidate, Harding, sent for me to come to Maryland and told me that Mr. Hays, whom he had made chairman (of the Republican National Committee) had told him of my services and he wanted me to stay in charge of propaganda. I told him that my one interest in the Republican party was to keep America out of Europe and that I would be willing to work for him as long as he stayed committed to that policy. But if ever he changed on that policy, he could count—not that I would feel I had deserted him—but that he had deserted me.

He was a man of the utmost integrity, a man to whom you could unburden your thoughts and your soul, and, in his own sweet way he put his arm around my shoulder and he said, "Well, Lasker, let's agree on one thing, that we will never fall out over our disagreements, though we may change."

(Mr. Lasker's views of America's place in the world changed later in life. He eventually became one of Wendell Wilkie's strongest supporters in "One World," and later did what he could to advance the Roosevelt-Truman foreign policy.)

I started to work for him. He and I hit it off fine. He gave me every chance in the world, just as did Theodore Roosevelt when I was working for him. The whole time I worked there for that Republican Committee Roosevelt gave me more chance and more credit than I was entitled to. And it was the same way with Will Hays. Gee! If clients who pay you would only treat you as well as politicians who need you, this would be a great life!

All of this is leading up to this advertisement that we are running. Don't think this isn't. But I want to bring a unity; it is all leading up to it. I don't want you to think that I am going afield or that anything that I am telling you is extraneous, because when I get through you will see that it all leads up into a sum total. I could, if I wanted to, talk about myself, talk for as many months as I am going to talk to you hours. I am only talking that part about myself that is necessary to explain the background of these advertisements we will work backwards once again, then we will work forwards.

Lasker Becomes Head of the Shipping Board

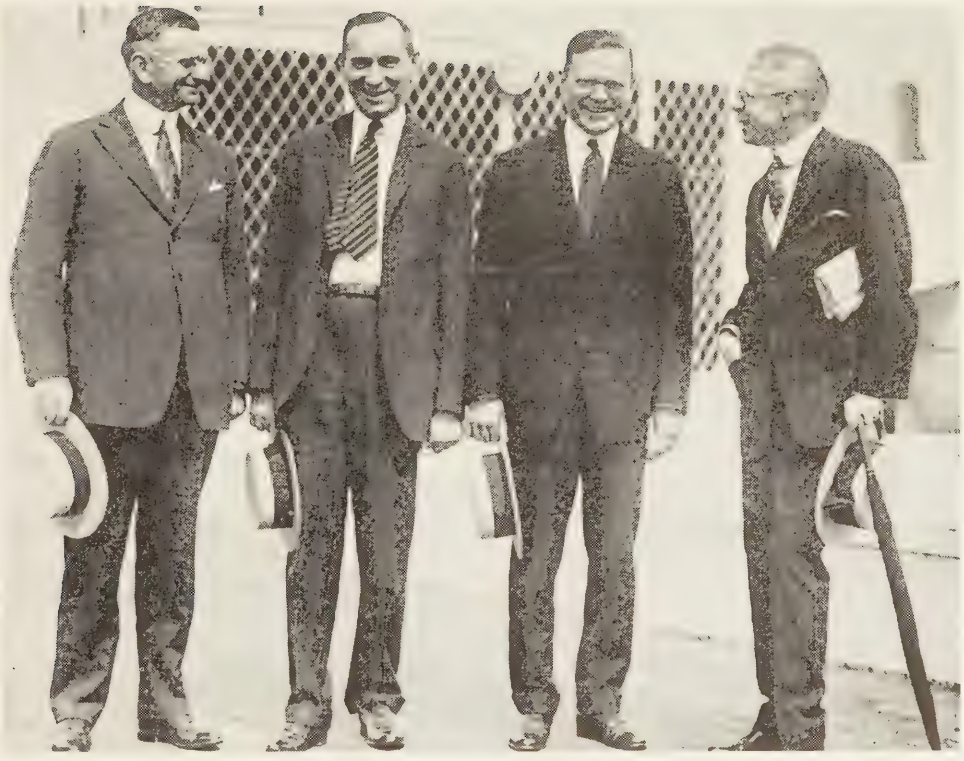
So, after Harding was nominated, I was going to come back to my business, but, through a chain of circumstances, I had become interested in a baseball team—the Chicago Cubs—and a terrible scandal had broken in connection with the White Sox.

I had started life—I am getting way back, now—I am not going to begin all over and take you all way back, so don't get scared at all, this is only going to take a minute. I had started as a sports reporter. I was sports reporter on one New Orleans paper and Gene Katz on the other. We covered all sports, also all religious services, and theaters, as dramatic reporters.

I never will forget once when I was covering the Opera House down in Galveston, James A. Hearn was to play there and I had covered every show conscientiously. I don't want you to think I didn't. But I had seen James A. Hearn in this play four times and I had a girl up in Houston who looked good to me, so the night he was to play I figured I could get off. So I wrote the review of James A. Hearn—he had the same cast he always had—and I went up to Houston to see the girl. Well, the first paper I picked up the next morning told about the Opera House burning down.

I had started as a reporter of baseball and I always loved and was interested in baseball. I felt and feel that baseball, and today football, are doing in a healthy way, for the American boy, what the standing army of Europe does for Europe, or did for Europe; and that the health of America and of the boys that grow up, conditioned right, in the right mental attitude and right physically is helped by these sports so that in time of need they can serve their country. I feel that that end is largely served by baseball and football. The boys go to football because it is a big thing for their colleges; they go to baseball because they want to emulate the players that they have read about as famous men, Babe Ruth, Grover Alexander, Hans Wagner.

This scandal broke and I made up my mind that it was due to the organization of baseball and that the only way to insure against such a scandal was to put baseball under outside control. I wrote up a plan, and that plan had in it the notion of Judge Landis taking control of baseball, my mind turning to him because he was a great man. I sent for the owners of the Chicago clubs, the two New York clubs and the Pittsburgh club and I read



JULY, 1921—Albert D. Lasker (second from left), chairman of the U. S. Shipping Board, is shown here with other members of the board during a visit aboard the S. S. Olympic. Left to right are A. J. Frey, Mr. Lasker, J. B. Smull and W. J. Love.

them my plan.

I wrote the plan in this office that I had, and they agreed to sign the plan with me, and after a great fight we passed that plan, and Judge Landis was elected the head of baseball. And there is nothing I will ever do that will give me the satisfaction that that did, because my little boy loves baseball, as your boys do, and I know the game is clean.

But all that wore me out a little more, so I had to go away to California to recuperate, and I had no sooner gotten home than the President sent for me and offered me the chairmanship of the Shipping Board. And I said to him, "What have I ever done to you that you want to wish this on me? I thought we were friends."

He told me, "The Shipping Board is the hardest job in the government, because it is a cesspool of incompetency and I am afraid also of chicanery and graft, and I don't know what—certainly waste. I want to be fair with you. You are not the first nor the second nor the third man I have offered it to"—and he gave me the names of three men whom he had offered it to before—"who I think are fitted by experience to do this job; but I can't get any of them to take it. Now, I have got to get a man in whose integrity I have confidence so that he will at least conserve these things and cut down expenses, and I have turned to you."

I refused, and I convinced him I wasn't the man, that he must keep on trying. But finally one night my wife, while I was on my way home, opened a telegram from the President in which he said, "I have tried in vain, and, for such and such reasons, I cannot get these other men. As President of your country, I now turn to you and ask you to accept this responsibility, assuring you the full support of the administration without sting, if that means anything to you."

Well, I was all in. I was getting ready to go away for another rest. But no man could refuse a call like that. I went down on the train, broken hearted, discouraged with life. I told him I would accept provided we had an agreement that I could leave in two years from the day I started; that I couldn't become a shipping man, but I would try to find him the ablest shipping man I could. I told him that I knew I could get his expenses, then running $16,000,000 a month, down to whatever figure he would name, and that I would conserve the assets and make the thousands of settlements. I wouldn't do it myself, but I knew I could go out and get men to do it.

I started there. The President kept his word in measure beyond anything I had a right to expect. He let it be known to all the world that I was his particular concern and that he felt I must be particularly protected.

I stayed there two years, leaving to the day that we had agreed on, though the President was good enough to urge that I stay. I went to Europe on a secret mission for him that I was to perform, that had no connection with shipping. I was to be back in New York when he got there from his

Pacific Coast trip, and he died just as I was to set sail for home. (President Harding died in San Francisco Aug. 2, 1923, while returning from a trip to Alaska.)

Well, I had been out of my business for a number of years. The business had kept on, kept on because there had been enough clients here for enough years who knew the germ of ability that was in here and who had grown to be friends enough of mine and good enough to me that they suffered along with the business while I was out doing these extraneous things. The time I had been out on my private affairs during that war period didn't keep me out long enough that it showed itself in the business, but at that time I ought to have come back immediately or it would show tremendously.

And then I was out five years in the public service, and during that period I kept in close enough touch that the service was all right to the people with whom we did business. I am under obligations to them that they didn't make my way harder than necessary, and as hard as most would; but I am under no obligation to feel that they didn't get their whole money's worth. They knew it and I knew it. But they were fond of me and they believed a man should serve his country, and they undoubtedly stood many inconveniences.

But it was during that period that advertising began to be so widely understood that we no longer stood out, and when the cat's away, the mice will play; the (members of the) organization didn't get along with each other. No competent man arose to really run it so as to coordinate everything, and while we had a fine, healthy business and gave a good service, it wasn't such as to attract new clients, it wasn't such as could take on new clients without upset. It was organized for those whom I left, but it wasn't organized to absorb anybody new.

And that brings me to when I came back with Mr. Sollitt. When I had to go with the government service, I said, "Here, there is no reason why I should go in and Ralph Sollitt shouldn't." He was sick and full of politics and had gone with Frank Munsey, as vice-president of Munsey's bank. So Munsey lent Ralph to me to go in the Shipping Board, and when I got through with the Shipping Board I said to Ralph, "You have to go home with me."

Ralph said, "What do I know about advertising?"

I said, "What do either of us know about shipping? Let's go home." Ralph, my good friend, came with me. I got here in September, Labor Day, 1923, and Ralph got here Nov. 1, 1923. And I don't think it is any injustice to say that while we found that the organization had kept together enough to give good service, just from habit, to all the people who were with us, yet it was such that its momentum was about to die down and the machine was about to collapse; and, in no event, could it absorb new clients.

That brings me to the third act of the history of Lord & Thomas, from that Labor Day in 1923 when I came back, until today—what transpired and what is in this advertisement; and then, when I explain the advertisement to you, it is up to you all to act the epilogue.

Would you mind if I rested for about ten or fifteen minutes? It is rather tiresome for me.

Lord & Thomas Suffers from Lack of Leadership

PRES. LASKER: I will finish for today by 5:25, at which time it is necessary to leave in order to catch the 5:50 train, and if you will indulge me, I will start tomorrow morning at 9 o'clock and I hope to finish by 12, so you can be home for your luncheon at 1. I think three more hours will get it out of my system.

Tonight I hope to finish the historical background and then tomorrow to discuss the policies directing the business as a result of the living of the period covered by the history. I think I had gotten to the point of my return from Washington—five years entirely out of the business, from 1918 to 1923 in public service—and two years preceding that engaged in industry during the war.

Now, fact compels the statement that when I came back I found a lot of strong men had developed in the business who might not have developed but for the conditions I describe. Stress always develops big men, and some of those—almost all of those—who are today the leading advertising spirits of the business were men who developed during that period.

In the copy end, Mr. Hummert of Chicago, Mr. O'Dea in New York, Mr. Crane in California came right to the top. (Mr. Hummert is Frank Hummert, later a principal in Blackett-Sample-Hummert. With his wife Anne, Mr. Hummert was a pioneer in radio "soap opera" writing. Mark O'Dea, previously identified, was later a principal in O'Dea, Sheldon & Canaday, New York agency. After his retirement he wrote extensively on advertising. Robert Crane was the first manager of the L&T Los Angeles office, open in 1916 to serve Sunkist.

So, also while I was gone, though the business was lacking coordinated executive work, I think in Chicago largely due to the efforts of Mr. Hummert we had given more serious thought to art work; in New York we hadn't developed the business that needed it.

It was a venture started while I was away to open a New York office. Other men, whom I didn't know, were put in charge. I saw they were not preaching orthodoxy, but were preaching advertising heresy, so I asked Mr. O'Dea in my distress to come down and take hold of the professional end of the business until we could get it shaped around, and the business as it developed there was built around him until it is in fine shape, as I

Pictures and Headlines

How to get the most out of both in advertising to the millions

SUCCESSFUL advertisements are founded on two simple elements. Headlines that say something. And illustrations that say something.

Both are necessary. Both are important. But combining the two, so as to get the most out of both, is an art in advertising that but few understand.

Yet, turn to the editorial pages of any successful magazine. Glance at random through the news sections of any big newspaper—and the secret is unfolded.

The headline tells the reader *what* the article is about. And thus *gains* his first attention. The illustration illustrates it. And thus *sustains* his interest.

Thus the illustration is subsidiary to the headline. A component part on which much depends . . . yet subsidiary.

The perfect advertisement is one in which a good illustration tells in pictures what the headline tells in words, the layout is so arranged that the illustration unerringly accomplishes that result.

The illustration may tell the headline's story in a little different way from the headline itself. It may even present it from a widely varying angle. It may show the result of what the headline promises, or the way that the result is achieved; but always, its story is the same; its chief object to illustrate and to hold attention. And in this, its value cannot be overestimated.

Thus the modern advertiser has learned the supreme importance of the superlatively fine in advertising illustrations. Scores of the foremost illustrators of the world are engaged in this pursuit today. Space in national publications is too costly to risk to mediocre illustration.

But underneath it all is the understanding that no matter how beautiful an illustration may be, or how famous the artist who signs it, its value is predicated *solely* on its ability to become a definitely correlated part—*and not the major interest*—of an advertisement's central selling scheme.

Pictures alone, in publication advertising, do not sway the millions. Pictures mean little without words to explain them. People want to know "WHY"—and that takes more than a picture can tell.

It takes headlines that grip Buying Interest, and illustrations that sustain it, to make an advertisement pay in full.

That is 90% the secret of advertising that registers in sales and profits.

And, like all successful factors in the field, it is based on the application of the simplest of common-sense principles.

THE PLACE OF ART—This reproduction of a Lord & Thomas house ad originally published in the fall of 1926 explains the basic philosophy of Mr. Lasker on the subject of advertising art.

told you, today.

But I think in Chicago the art end was largely inspired by Mr. Hummert, because others had developed art in advertising just as we had developed copy. But we cannot claim that credit with art. It was done, as I see it, in the West by associates of mine who had wanted to do it when they were with us and whom I wouldn't permit to do it. I am trying to give you a history that is exact and let the chips and the credit fall where they may. It was done in the East by a man who came out of the West, from Cincinnati. (Apparently a reference to Stanley Resor, who joined J. Walter Thompson Co. in Cincinnati in 1908.)

By the time I came back they had worked out how to use art in copy so that it fully carried out the cartoon thought on the one hand and still, by being beautified, was done in such a way that it added to the compelling attraction value of the copy. The result is that we have here today art directors to whom I am under a conscious debt of obligation that it is a privilege to pay. They can't have been long in the service, because we haven't been long in art, but while we were late in coming to it, I believe that I am speaking conservatively when I say there is no finer art in copy than Lord & Thomas has.

But the best art of these art directors is this—that they always have in mind that art must also be salesmanship in print. I think that living in this atmosphere has helped their viewpoint, as they have helped ours. And though we were late in coming to art, once we learned it and had, as we have now, the organization that can apply art so that it is all asset, and in a way that I couldn't work out before, I believe that there is no place today where people can get copy comparable to Lord & Thomas. I believe it is impossible . . .

Had we (recognized the importance of artwork earlier), I am sure we would be doing double the business today. It got to a point where certain of our big clients (the Goodyear Tire Co., spending a million and one-half a year, for example) said to me cold, "Give us the right art in copy and we stay; don't, and we go."

I said, "Isn't your copy paying? Aren't you going further than anyone in the line?"

They said, "We know what we want. We have no lack of appreciation, but this is what we want."

I was stubborn and we didn't give it to them. If we had had the art work that we have today we never would have lost the Goodyear Tire Co. But I wouldn't, because I couldn't. I make this frank statement because there is no other statement to make. But I want to repeat and emphasize that today we have fully absorbed that notion.

I don't like to be on the defensive, as if I thought we were a house that had slipped. As a matter of fact, let me say to you that since I have been

with Lord & Thomas we have never had one year that hasn't been somewhat bigger than the year before. In recent years maybe we would only top the previous year by $50,000 or $100,000, but anyhow we increased our business last year.

From 1910 to 1923 we grew only from $6,000,000 to $10,000,000. We just increased a few thousand, maybe $100,000 or $200,000, a year, because we didn't push the business. Last year we increased our business 30% over the year before, from almost $11,000,000 to almost $14,000,000, and this year, for the first three months, we are quite some little ahead of last year. But the increase we had last year showed what it meant to the business for leadership—I have to say that—to come back to it. (As previously mentioned, it is interesting to note that N. W. Ayer's volume for 1924—when L&T billed "almost $14,000,000"—was $13,715,000.)

And it wasn't the fault of the men while I was gone that the right leadership didn't exist among you, because in a line like this you cannot have leadership where there isn't ownership. In a manufacturing business you can have it, because there is a trademark product, but in a personal service business the creative minds must be coordinated. Any one of the men might be able to do it, but all of them working together can't. There must be one conduit through which it flows and finally comes out. Isn't that right? And (the lack of) that is what we suffered from.

The individual accounts remaining in our business received fine service, because we had fine men, and some of the best advertising we ever did was developed during that period. But because of the stresses we couldn't get new clients.

There is more than one right way to do the same thing. But no institution can get anywhere that doesn't select which one of the right ways it wants to go.

I have a team of three horses. I want to go from here to Milwaukee. There are three routes. They are good horses; they can take that wagon up to Milwaukee in as quick time as any three horses on earth. But when we come to the limits of the city of Chicago, if, as the driver, I am going to get off the wagon and each of the three horses begins pulling for his own road, they are not going to get very far towards Milwaukee. Yet, if I had been driving any one of the horses singly, he having made the trip before, if I got off he might take the wagon and go all the way to Milwaukee if somebody didn't stop him.

On Owning and Advertising the Same Business

That I know is what was the matter with our business.

What was the result? I remember my first meeting when I came back with Mr. Hummert. It was almost a broken down business. He couldn't get a piece of art through the art department. A new art manager had come in, a good man, a man whom I personally like very much, but this man had no notion of system. He couldn't delegate anything to anyone else, and, being temperamental, he couldn't always attend to what he was to attend to. The result was that the simplest layout, which should have come through in a day or two, sometimes took weeks, and clients simply couldn't stand the delays, and writers and contact men couldn't stand the unreliabilities and the uncertainties.

I mention that merely because we were speaking of the advent of art as a major factor into our copy concept, and to illustrate the disorganization that was rampant.

Then, through my having been away so long, many of the men had gotten into habits of work and thought which, right in themselves, did not coordinate into other situations. For instance, Mr. Hopkins, whom I think the highest in the world of, made up his mind that our future lay not in serving clients, but in going into businesses and being our own client. He had come to that conclusion during my absence. Had I been here and had we been together and could have talked it over every day, maybe his mind wouldn't have grown that way. But it did, and it was so crystallized that it was impossible to change it.

Now, some years before I had invested in clients' businesses to show them my confidence in our work. When I went into the government employ I divested myself of holdings in all businesses of clients where my holding was so great that I in any manner perforce became responsible to myself and to others for the management in any measure greater than I would have been if I hadn't held the stock in it.

In other words, I own stock today in many businesses advertised by competitors, because I think they have sound businesses. I just bought some of the Dodge Brothers stock. I am never going to advertise them. I bought Coty stock when it came out. I don't expect to advertise it. But I know that they are sound businesses.

Well, there is no reason why, in the same way, if I buy stock in competitors' businesses, I shouldn't buy stock in clients' businesses. But in no business (do I own stock) that in any way makes it necessary for me to have any more say in the management than if I didn't own stock.

But for a period I did buy in so deeply in the businesses that I did have to say something in the management, and I learned the great lesson that I had to be entirely in those businesses if I was going to run them, because I didn't have the pulse of the business.

And that is just what was lacking with Lord & Thomas while I was gone. There was no one with his hand on the pulse of the business, because each one of the staff was busy doing his own work. There must always be someone who has no other work to do but the work of feeling the pulse of the business and coming in contact with the executives who are really doing the business and then helping coordinate it into grand policies; receiving the detailed policy from those who know much more about it than he possibly can and using those threads of detailed policy to weave it into national policy.

Now, I had divested myself of these outside businesses. However, I gave those outside businesses more thought than any advertising agent can afford to give to any client's business. It may be, of course, that I was dumb and therefore shouldn't be an advertising agent, but I certainly proved that you couldn't run a business as an advertising agent, and that those clients who expect us to work out major policies which they should work out for themselves are going to be disappointed.

Of course, there being businesses where advertising is the all-in-all of the business, those naturally any agent can run—a mail order business, a patent medicine business, for instance, and, in large measure, some forms of cosmetic businesses. Of course I want to make no statement to which I don't recognize there are exceptions, but they must be businesses that are practically entirely dependent on the advertising.

On the other hand, the advertising agent, by not being connected directly with the business, but by making himself expert in consumer reactions, can do for a business in merchandising policies things that he can't possibly do for it if he gets too close to its merchandising policies, because the manufacturer will have lost the only contact he has with the consumer's viewpoint. And very often the thing that appeals to the consumer the most is the thing that appeals to the manufacturer the least. . .

Getting back to my little incident with Mr. Hopkins, I remember when I was negotiating with him to come with us I asked him, "How did you come to write that (Schlitz) copy?" which at that time created a great interest in advertising circles as wonderful copy.

He said, "Well, I went up at the request of Mr. Stack, and Mr. Uihlein, the head of the brewery, showed me through. We came to a room where there were immense masses of steam and he said, 'Hurry through, there

is nothing to see here,' and I hadn't seen a thing in the plant that interested me until I came to that room, so I asked him to explain it.

"'Oh,' he said, 'they clean the bottles out here by means of live steam so there will be no fermentation, but,' he said, 'there is nothing to that. You don't want to lose any time on that, every brewery does that, because if they didn't they couldn't use their old bottles. The beer would ferment in them. Hurry up through here.'"

"But," Hopkins said, "I didn't hurry. I stayed there and I watched. I went all through his plant, he showed me wonderful laboratories and exclusive things they were doing; but the only thing I saw that would interest the consumer was that they blew live steam into the bottles and thus cleaned them out to prevent fermentation.

"So," Hopkins said, "I went out and told it to the world. I didn't say we did it exclusively, and I didn't say no other brewer did it, but no other brewer had said it up to that time, and no other brewer wanted to come out and say it after that advertisement appeared, because it would look as if he wanted to copy Schlitz."

So you see what interested that manufacturer the least was the very thing that interested the consumer the most. If he got too technical he would lose that greatest of talents, for advertising is a talent. It is born in you, like singing, or it is not. You have it or you haven't. It is conceived in the mother's womb and you represent him to the public.

You must have the flair for it, and that flair is to be sensitive automatically to consumer reaction, and then, through thousands of experiences in the years that pass to know instinctively and intuitively what there is in a product or in a situation which will appeal to the masses of the public whom you represent. You do not represent the manufacturer, you represent the public to him, and, in turn, represent him to the public.

Therefore, when these intuitive reactions come, they don't come through "hunch" entirely. If you have the flair for advertising born in you when you start as a cub, you work around and with men who have had such experience that they get the reaction. You are a cub advertising man and they let you work around them, and from working around them you get your original start of experience.

Then when it comes where you have to have some reaction, you get that reaction based on your instinct, which gives you a power of selectivity for what out of that given experience will help the given situation. And from that you grow into situations of your own, and finally, after years, you have had so many thousands of experiences that that power of selectivity automatically asserts itself.

Lasker Completes His Historical Discussion

And what I want through you, if possible, without hurting our present business, is to bring advertising back to what it deserves and to the place it deserves. For I fear very much, as I shall cover tomorrow, that the very existence of so many people expert in advertising is leading us away from basic principles.

There is so much good advertising and so many good advertising agents and so much understanding of advertising that the competition for clients has led to putting on a plusage that is detracting from the power of advertising, confusing the function of the advertising man and giving him less opportunity for creative work.

I don't want to go into that elaboration now, because my experimentations with the thought have been sufficient to show me that the public is not ready yet to get the idea of its fullness. We have to gradually lead them up to it, some of our clients, I believe.

It is a force I am going to give you so far over in advertising that if you use it the least bit wrong, it will kill, it will kill, it will blight; but, used rightly, we in Lord & Thomas—you men here—can once again do for advertisers and advertising what we did in the early days.

In the years that I was gone, of course, I kept in touch with the firm. When major problems arose they were given to me, and from the contact with outside affairs and from the vision of extraneous big businesses where I was on the inside—from an intimate knowledge in government of seeing the wheels that made the world go round, from the very vastness of the responsibilities that came to me, dealing with sums that made Ford look like a pauper almost (not my own money), I came to an understanding of what motivates and activates industrial life as it relates to advertising that I never could have had otherwise. I say as it relates to advertising because, having spent my whole adult life in advertising up until the moment I left Lord & Thomas, every experience I had, naturally and normally—without conscious effort on my part—found its placement in relationship to what it meant to the work in which I was engaged.

If you have ever consumed French peas, maybe it has occured to you (to wonder) how when they pick a field of peas, they find just the small size. Well, I have been a canner, a packer, and I will tell you. They run the peas

L&T PERSONIFIED—Upper left D. M. Lord; right, A. L. Thomas. Lower left, C. R. Erwin (later a founder of Erwin, Wasey & Co.), and right, Albert D. Lasker.

in chutes over an inclined net of fibre. This net has holes, some larger, some smaller, and naturally the pea finds its place in the hole that it fits and it goes down the chute automatically into the assortment that it belongs in. So the small pea naturally goes into the hole where it belongs and the larger pea won't go where the small one goes because the hole is too small. The small holes come first and all the small peas drop through first, the holes a little larger catch the peas the next size, and holes way down the largest size.

That is just the way with all the experiences I have had in life. Every experience was like the pea, it went into its proper relationship in the advertising hole. That was my hole, the consumer reaction. I can't tell you how it occurred, but I came to the realization that I had gotten a broader understanding of distribution, of consumption.

Above all, I had gotten a broader understanding of American business and American business needs from having been all those years in the government, and from having been jaded with advertising, really—from having worked so hard at it and sought these diversions unconsciously in other businesses and in politics. I came back to Lord & Thomas in September, 1923, believing that I had an opportunity through the years in which I had been gone to once again build, but build in a different way, and leave my contribution to the line that had been so good to me and to which I owed so much.

I had fine men here, but they were not coordinated, and in the selection (once again using the pea illustration) some had to go out. We needed a certain type of organization and a certain type of men, and Mr. Sollitt and I started out in cooperation with some of the others to find them. When we had gotten men together—units that could carry on a program of agency service, of a 1928 model, as I had seen it in all my experience—we were then ready to go ahead and announce it to the world.

It was very difficult to find many of you men. For instance, our art department, to which I again refer, of which I am very proud. We started from practically nothing, and today we have an automatically functioning mechanical department, which is an incident, but with men at the head of it of the type professionally, intellectually and humanly that we want to be Lord & Thomas.

And so each of you men who have been called in has been called in with that in view. From all these experiences, and particularly from the years that I was on the outside, I got a perspective on the development of the agency business as I had never gotten it before. I had come back with a vision of service for myself and for you, my associates here, that I believe will bring advertising from this age of hectic competition to a standardized, stabilized, professional basis, to the profit of the advertiser, to the profit of those in our line, to the profit of each of you, and to the glory

of our own association.

The underlying principles we are undertaking to write in a series of advertisements. The best way to let you know what those underlying principles are and to sketch and prove to you that we have completed our reorganization of Lord & Thomas, so as to be able to deliver a service as enunciated in those principles, I believe is to read you these advertisements and then define and analyze what is meant.

Therefrom you will get a major policy which, if it can sink deeply into each of our intellectual consciousnesses, and then give us the enthusiasm of crusaders...will put us right back in opportunity to where Lord & Thomas was when I came to it in 1898. That is what I really believe.

And so I have sketched this thing historically for you up to this point, and I am going to adjourn the meeting, because my next step would be to begin with the advertising, and I could get into that only a little bit when we would have to adjourn until tomorrow morning. So if you will be here promptly at 9 o'clock tomorrow morning—the New York gentlemen want to get away on the 12:40—I feel sure that I can cover this other, the most important part of it, with you.

If we can't, we can have still further meetings, because I have fully covered it before with the gentlemen from New York. When I started covering it with them, they were, I think, a bit skeptical. I think, honestly, they could see nothing in it. But when I disclosed the fullness of it, their complete, spontaneous and uncontrollable intellectual enthusiasm was such that I thought it would be helpful to us to get them here, that they can, in turn, help bring you to where they are.

We will now adjourn and meet tomorrow morning at 9 o'clock.

The session was adjourned by President Lasker at 5:05 p.m.

The Business Has Changed; Many Good Agencies

The Second Session, Sunday Morning, April 5, 1925 of the meeting of the representatives of Lord & Thomas was called to order at 9:10 o'clock, President Albert D. Lasker presiding.

PRES. LASKER: Getting back, I wanted to call your attention to the fact that Lord & Thomas was incorporated in 1873 and it has been in business continuously since, this being its 52nd year, and during that period it has been under only two managements and two ownerships. Mr. Lord and Mr. Thomas owned the business from 1873 until Mr. Lord's retirement in 1904 on the occasion of his 60th birthday, he still being an active and virile man today at the age of 81. He always determined that he would retire when he was 60. And Mr. Thomas died in 1906.

Then the business passed into my hands in the manner I indicated. I call your attention to that, so that you can see the history of the business, that it has been continuous and that the traditions are deep rooted and that the experience that we have here has gone back to 1873 and been continuously passed on. Some have been here over 40 years. I think there is one young lady here—I wouldn't tell her name—who has been here over 40 years.

I am just referring back to tie it up together. I want you to know that I have been in this business some time. I don't mind telling you my age. I am 45. I have told you everything else about myself that I am willing to tell. I was born in 1880.

In 1892 I published this paper here. I was the sole owner and the sole publisher and the sole editor. This issue was published on April 30, 1892. My birthday is May 1. This was April 30, 1892, but I can see from this old copy of the paper that I thought a boy 12 too young to be an editor. I see here the editor of the Free Press is a boy of 13 years. I wrote every line of the paper myself, save the plate matter, but I got all the advertising.

That is the next important point that I call your attention to, that I was in advertising back in 1892.

I remember I got for each of these two-inch cards $1.50. An inch card was $1. I wanted to show them that I was an editor and publisher; I had a brother two years younger and he was my collector. As I walked out of the place he would walk in to get the money . . .

This morning I got down to the office a little earlier than some of the others, about 7:30. I didn't get down in order to boast about it, but I did get down at 7:30.

I noticed in this morning's paper that the new Secretary of Agriculture says that the road to success is through hard work. I just want to say here that in a good many instances during my absence that I referred to yesterday, hard work ceased in Lord & Thomas, and there isn't room for any of you, much as I am anxious to have you, unless you are hard workers. And I will get on to who is not a hard worker, and when I do there is nothing surer than that you and I won't stay together. I only want people who are willing to work hard.

Second is integrity—hard work and integrity. We will undertake with you to work out the intelligence.

But I went downstairs and rummaged among the files. I was looking for something, and among other things I ran across a copy of Successful Farming and that brought to my memory something I ought to have told you yesterday, that Lord & Thomas did the first automobile advertising ever done in the world. We did the first tire advertising.

We did the first auto accessory advertising. All these firms are still our good friends. The reason that we didn't continue with them—well, I gave you the reason with Goodyear. With Willys we had gotten in pretty deep financially and it got to where we had a difference in view on policy with their manager.

Mr. Willys was perfectly fine to me. I know he would have chosen us instead of the manager, but that was too much responsibility, and that again brings me back to the fact that an agent must have in a way only an extraneous connection with the business.

But I remember that one of our main ideas in advertising was the great possibility for automobiles and accessories through advertising to the farmer.

At that time the farm papers carried no advertising—so little anyhow that it is within permissive rights to say no advertising—other than technical farm machinery advertising and a little rubber goods advertising of boots. It was considered somehow that the farmer wasn't a human being; on the farm there were horses and cows and farmers. When you wanted to advertise to the man, the farmer, you were supposed to reach him only through The Saturday Evening Post, and it was thought that the farm paper should only have technical advertising.

I remember I made a condition with Goodyear and Willys that one of the ways I proposed to win customers for them was through using the farm papers, and both of them told me that subsequently many of our competitors were down there and said that I was utterly dishonest in my motive in that we published Judicious Advertising and hoped to "trade in profit," and that was the reason I was financing them. It shows you how little re-

VINTAGE OF 1911—This Cole 30-40 ad, which appeared in the December, 1911, issue of Judicious Advertising, ran in local newspapers, with space at bottom for dealers' names. Copy describes the Cole's features, and gives the prices of various models.

moved we are from the Stone Age when so simple a thing as that the farm paper was an outstanding medium for that type of advertising, and many others, was open to misconstruction just from the simple fact of an advertiser going to them.

And I think one of the big reasons those advertisements were so successful in the early days was the use of the farm paper. And as I look through Successful Farming I see that a big percentage of their advertising is still automobile and automobile accessory advertising.

I want you to get all this in you as you work here and as you talk to others about Lord & Thomas: That you feel deeply the traditions and the impulses that are behind this business, and that just the same now we are a young business, not an old business, but that we know our business and that we have known our business for a long time and that we are leaders in our business, because we are analyzers of our business.

Now, something has hit me in the face in the farm papers in the last 16 months since I am back and actively on the job. And I think I can say without really exaggerating that, though I was sick during that three months, I have done three or four years' work in the 16 or 17 months I have been back . . .

One of the things I have done is to study advertising and competitors . . . And the surprising thing that hits me is the tremendous amount of good advertising that is being done.

Mr. Hopkins was in to see me the other day. He is my dear friend; he was with me for many years. But, as you know, he has gone into the agency business for himself. And incidentally, he has changed his mind about advertising his own products; he had to leave here to change his mind, I am sorry to say. He could have changed it staying, but he wouldn't change it and stay.

Anyhow, he said to me, "Lasker, you know it is harder than it ever was to get advertising for agency service." He said, "I have a notion." I said, "Let's both write it on a piece of paper and compare it afterwards."

We did and we wrote practically the same thing: "Too much good advertising." In the early days when Hopkins and I were working together with Kennedy, Bob Johns and many others who associated with us, there were not many who wrote good advertising. But in the years that have gone by many have learned it.

But there are still some who don't know advertising, and in my studies in the last year and a half—my studies of copy particularly in the last year and a half—I have been struck as to why Montgomery Ward & Co. have grown up so tremendously on Sears, Roebuck & Co. Sears, Roebuck & Co. are still in the stone, archaic ages of advertising.

Maybe some of you will go and repeat this to them, and they will get so mad they never will do business with me. I haven't undertaken to do busi-

ness with them, but I would say for their experience they are the world's worst advertisers. They could afford to pay any agency that knows 300%, 500%, it makes no difference. Montgomery Ward are always good advertisers and that is one reason why in the last five years Montgomery Ward from trailers, and Sears, Roebuck from outstanding leaders, have come much nearer together, until Montgomery Ward stands out as the coming house and Sears, Roebuck is the house that has to be reorganized. (It is important to remember, again, that these comments were made in 1925.)

I wouldn't say it is the reason; it is one of the reasons. But I can't talk to you academically, I have to talk names. I remember about four months ago when Colonel Swingle was thinking of coming to the firm, I happened to be fingering a magazine and in fingering it I noticed that Montgomery Ward's advertisement preceded by one page Sears, Roebuck's. Montgomery Ward's advertisement was a business advertisement, and Sears, Roebuck's was—I don't know what—it was about Robinson Crusoe.

Think once of a mail order house, we who know advertising and learned it from mail order and patent medicine, think of a mail order house, think of the shades of old Sears getting out of the grave and talking about Robinson Crusoe.

Well, this morning I came down early because I wanted to look through the farm papers. I want to talk to you a little about farm papers, and I got hold of this. I think the farm paper is a wonderful medium and we don't use it nearly enough. No advertising agency has the proper appreciation of the farm paper, including ours. I happened to turn to the April issue of Successful Farming, Page 41, Montgomery Ward & Co., Page 43, Sears, Roebuck & CO. "Ward's catalog is saving millions of dollars for the American people. Millions of people are saving millions of dollars by using Ward's catalog," and so on.

Farmer or not, that is business. They want to know how to save. I don't do Montgomery Ward's advertising. I don't suppose we will ever get it. But it is good advertising. (Lord & Thomas ultimately did become the agency for Montgomery Ward, although both mail order houses turn out the bulk of their own advertising.)

The same with Sears, Roebuck, but it is bad advertising, wasteful, stupid. "Greater than Aladdin's lamp—Aladdin never well knew the things to wish for, because he had never seen our big general catalog. More magical even than Aladdin's lamp is this wonderful book and the service it renders."

I will not speak at greater length on the subject. I love advertising too much to feel that it needs greater length. But I want to exemplify that there is still some archaic work being done and that there is still opportunity to get business, hard as it is.

Lord & Thomas Restates Its Philosophy

Now I am going to get right down to this advertising we are doing and then I am going to do in the movie sense a flash-back from the advertising. Have we copies of the advertising here? Pass it around quickly.

I don't know, but I want to say in passing I think Sears, Roebuck think they save money in commissions. They forget that their white space costs them the same, no matter what is in it. It is the same as if a book publisher would want to get me to write his novels instead of Rudyard Kipling because he saves money by getting me as a novelist.

I want to read these advertisements. I am going to try—I don't promise that I will—but I am going to try to read them without comment and then come back to the comments:

"Common Sense, about all things, scores uncommon results in advertising.

"Wherever you see dramatic success in advertising you will find that common sense is its basic formula.

"Study winning advertising and, above all things, that factor will impress you.

"Circus ideas are of an unenlightened age. Vanities and furbelows have no place in salesmanship to the millions.

"Yet how comparatively few men recognize that simple precept.

"Take an issue of any national magazine. See how the simply phrased, simply designed ads stand out above their fellows.

"They mark the contrast between dignity and acrobatics. Between a well-dressed, coldly logical master salesman and a rival with pink spats." (The difference between Montgomery Ward's, "Millions have saved millions through this book," and Sears, Roebuck's "Aladdin's lamp.")

"They carry conviction in exactly the same measure.

"So when men ask us the outstanding secret of compelling copy we quote the genius of simple, common sense. We know that method achieves unique results, for we have proved it countless times.

"Successful agency organizations are built of men whose religion is that formula.

"They judge advertising for what it is. They do not tamper with its

force; do not handicap it with the bizarre.

"They recognize that to be successful, advertising must be sincere; must convey the force of conviction.

"Put that kind behind any business that could succeed without advertising, and sales will multiply.

"Put any kind of advertising behind a business that could not succeed without it and little will result.

"We hold that no business which could not succeed without us could gain the heights because of us.

"That seems simple common sense to us. And upon common sense, above all things, profitable advertising rests.

"The miracle of advertising is that when applied in a common-sense way, it brings magical results."

"Common-Sense Copy—has the uncommon quality of attracting immediate response.

"When a big department store runs an advertisement in the morning papers a crowd is looked for that same day.

"Copy in the evening papers is expected to prove its case the next morning. If not, the ad is wrong, or the merchandise unwanted.

"That applies equally to Wanamaker or Gimbel in New York, to the Emporium in San Francisco; to Smith's in Topeka, Kansas.

"Advertisements that are sound, that carry conviction and sell, have a habit of doing business NOW. They wait neither for men nor 'conditions.'

"Unfortunately, those uninitiated in the science of advertising often miss that point. They believe there is a difference in this respect, between their own national advertising and a retail merchant's 'local.'

"Thus weak ads often are repeated at great loss; expenditures continued in the false belief that results are banking up for the future.

"Men seasoned in successful advertising realize the shallowness of that theory.

"'Long haul' advertising is twin to that most deceiving of all commercial types, the fine appearing, fine talking salesman who sells himself better than his line. At one time or another, every business head has yielded to his lure.

"The experienced advertising agency who builds campaigns based on winning strategy knows that the function of advertising is to sell goods now, to convert the money spent for it into dollar profit.

"None more that it believes in the cumulative value of advertising—but it demands that the proofs of victory be not too long deferred.

"That seems simple, common sense to us. And upon common sense, above all things, profitable advertising rests.

"The miracle of advertising is that when applied in a common-sense way, it brings magical results."

Common Sense

above all things

scores uncommon results in advertising

WHEREVER you see dramatic success in advertising, you will find that common sense is its basic formula.

Study Lord & Thomas advertising and, above all things, that factor will impress you.

Circus ideas are of an unenlightened age. Vanities and furbelows have no place in salesmanship to the millions.

Yet how comparatively few men recognize that simple precept.

Take an issue of any national magazine. See how the simply phrased, simply designed ads stand out above their fellows.

They mark the contrast between dignity and acrobatics. Between a well-dressed, coldly logical master salesman and a rival with pink spats. They carry conviction in exactly the same measure.

So when men ask us the outstanding secret of Lord & Thomas copy, we quote the genius of simple, common sense.

We know that method achieves unique results. For we have proved it countless times.

Our organization is built of men whose religion is that formula.

They judge advertising for what it is. They do not tamper with its force; do not handicap it with the bizarre.

They recognize that to be successful, advertising must be sincere; must convey the force of conviction.

Put that kind behind any business that could succeed *without* advertising, and sales will multiply.

Put any kind of advertising behind a business that could not succeed *without* it and little will result. We hold that no business which could not succeed without us could gain the heights *because* of us.

If those principles appeal to your good judgment, why not arrange an interview? For 25 years, under present ownership, they have maintained for us outstanding leadership in our field.

LORD & THOMAS

Advertising

LOS ANGELES
724 South Spring Street

NEW YORK
247 Park Avenue

SAN FRANCISCO
225 Bush Street

CHICAGO
400 North Michigan Avenue

LONDON, ENGLAND
Victoria Embankment

"Why We Claim No Major Part—in the success pointed to as ours.

"Many noted successes in advertising are pointed to as of Lord & Thomas—mastery of markets in many lines.

"Yet in truth we claim no major part in even one.

"We hold that no business which could not succeed without us could gain the pinnacle because of us.

"The only role we play in the drama of success is as an able helper. A lieutenant whose only genius is that of common sense.

"To us that seems the only attainment men in our work can justly claim—to recognize things for what they are, to follow the precepts of common sense.

"That is a simple formula. Anyone can apply it. Build merchandising plans around it, on a wanted product, and they will win. Thread copy with it, and it will sell the millions.

"Study the strategy of successful advertising pilots, and you will find it founded on those principles. A strategy fabricated in knowledge that the end must justify the means; that expenditures must be planned with profit sheets in mind.

"Thus, at times, advertising pressure is cautiously applied. And frequently, entrenchment advocated when immunity from competitive attack admits it.

"Contrariwise, there come times when great aggressiveness, the straining of all muscles becomes the course of multiplying profits, of gaining outstanding leadership, when selling effort and advertising pressure must be exercised to their utmost.

"Hence the province of an advertising agent is to gain two points for a client; entrenched leadership and consistent earnings.

"He must sacrifice neither to the other.

"He must fearlessly advocate, when and as necessary, either added pressure or passing retrenchment.

"But above all things, his judgment must be based on true experience, on the unique analysis that's born of caution—the end must justify the means. His abilities we must always measure in terms of dollar profits.

"To us that marks but simple common sense—and common sense so far has proved the one open road to uncommon results in advertising.

"The miracle of advertising is that when applied in a common-sense way, it brings magical results."

"Dignity—it is dynamic.

"Real achievement is never noisy. Edison does not indulge in conjurors' hokum. The discoverer of insulin is less known that Coue.

"The blare of trumpets dies with its echoes.

"Only a few years ago advertising was considered most effective if its sponsors followed Barnum's ways.

"Stunts were considered essential.

"Nowadays, the experienced advertising agent knows that it is advertising itself that is the miracle, not its accoutrements.

"Such men know advertising's tremendous power and use it rightly.

"They know its limitations and no longer claim it as a cure-all.

"Today's leading advertising counselors are no less keen than yesterday's. In their wisdom they have learned that dramatic results are counted around the cash drawer.

"No noisy jubilee is needed in calculating final figures.

"The 'advertising game', outsiders used to call it.

"Too much chance was associated with it. Pioneer days meant primitive practices.

"Like the old sea captain, who used to rush from one end of his ship to the other shouting directions, so the old-time advertising man used to impress largely by noise.

"Today, the captain of the largest vessel stays on the bridge and silently presses buttons.

"So with today's advertising counselor—he quietly commands a score of selling forces, calmly sure of their power.

"Facing facts coldly and analytically has replaced the old-time frenzy.

"Men schooled in experience need not indulge in theoretic surmises.

"What may appear a new and puzzling problem to a client may be no problem at all to one who has been through many a campaign. The chief difference between a General and a Cadet is experience.

"The advertising man with a treasure house of experience knows how to save time and money. No 'surveys' need delay decisive action. Priceless answers can be obtained quickly.

"There are more good advertising agents than ever before, more good writers, more good artists.

"The wisest of them all are the quietest. Extra motions they eliminate. Not because the advertising profession is less virile, but because the wise business men no longer want mere gyrations and hectic fervor.

"Calm recommendations are the result of experience. Agents with broad experiences have inherited a dynamic dignity.

"They analyze problems without distracting gymnastics. They make investigations in a proved way, without a parade. They get results without speculation.

"All this seems simple common sense to us.

"The miracle of advertising is that when applied in a common-sense way, it brings magical results."

(Mr. Lasker read the text of eight advertisements. Those quoted here give a good idea of the content and the approach of all.)

Explains Plans to Merchandise L&T Campaign

I was in New York last week and addressed the Advertising Club there. I very seldom make addresses, for a reason of my own; but because an old friend asked it I accepted this invitation. And being full of the subject on which I am going to speak to you, I really made that my speech, without, of course, in any way insinuating that it was really the text of what I was trying to impregnate all my associates with. Printers' Ink had a very brief digest of it. I think, however, a very good one and I am going to read it:

"Advertising agents should be careful not to lead manufacturers to expect too much of advertising, cautioned Albert D. Lasker, president of Lord & Thomas, in an address which he made at a meeting of the Advertising Club of New York on March 27. In his opinion the greatest danger faced by advertising is the fact that the campaigns of successful advertisers have led many manufacturers to expect too much to be accomplished just by advertising.

"'Advertising is the greatest force which has come to the aid of distribution in the last twenty years,' Mr. Lasker said, 'but it cannot accomplish everything. No advertising can make a success of a manufacturer who would not be successful without it. There is no advertising agent who can make a man stand up it he does not know his own business.'

"On the other hand, Mr. Lasker said, no advertiser can succeed so well without an advertising agent as with one, because he has not got the richness of the agent's experience. The most important contribution made by the agent to an advertiser's merchandising plans is his knowledge of the outside point of view. The thing that interests the advertiser the most interests the consumer the least, and the thing that interests the consumer the most, often interests the advertiser the least, Mr. Lasker said.

"It is this condition which makes the agent's services indispensable. He is the sounding board of public opinion in the advertiser's relations with the public. The agent's job is to find out what the public wants to know about the product advertised, Mr. Lasker said, but as soon as he becomes so involved in the business of the advertiser that he loses the outside point of view, he loses the factor which makes him most valuable to the advertiser."

This report is the essence of what it took me 35 minutes to say and the essence of what I want to convey to you, the essence of the spirit that

actuates this business in the third act of its life.

I just don't know how I want to tackle this. I have got to get to it in my own way and warm up to it. So I am just going for a moment to diverge and say that we are inserting these advertisements in Printers' Ink, Judicious Advertising, Western Advertising and the other trade papers twice a month. We are also sending them out in brochure form.

I am diverting from my main theme, because once I get to my main theme I don't want to get off of it. This is like a Sunday morning sermon; I am making the announcements of the different activities of the church for the coming week and having finished it I will get to the main text and preach on it . . .

These advertisements are written in Chicago by Mr. Hummert; in New York by Mr. O'Dea, and on the Coast by Mr. Crane. All three will write them, thus proving the oneness in viewpoint. The advertisements Mr. Hummert wrote all represent the result of lengthy exchange of mind between ourselves. Mr. O'Dea submitted me several and I couldn't change a word or a syllable in them; he had enunciated just what I wanted to say for Lord & Thomas.

Now when your head copywriters in your various offices have such a oneness of viewpoint, it shows our service must be the same all through the country and it also shows that there must be a viewpoint that has in it inspiration and soundness, or they could not get it.

And the greatest test is they couldn't write it until we had all clarified our thinking. When I first talked over this viewpoint with Mr. O'Dea, for instance, I hadn't developed it for myself. I just knew it, I knew in a general way from my prior experience, from my absence, from my perspective, from my return, just what I felt was needed to give the advertiser service that must be compelling and to put advertising in the place it deserves.

Mr. O'Dea was pretty cold on it. Mr. Hummert asked to be excused. He said he couldn't see anything within himself that would let him write agency copy. I didn't get a chance to have the exchange of views with Mr. Crane that I should have liked. Finally being in Chicago, I worked more and more with Mr. Hummert and he said he would take a try at it, which he did, and then (it being in the early days of copy) I collaborated with him. He would send it to me and I would work it over and work it over until the thing became shaped in my own mind and I saw clearly so that I could interpret to others, that which had been working in my sub-conscious consciousness.

Then I had talks with Mr. O'Dea of the New York staff after I had it concretely worked out, and Mr. O'Dea said, "I see it differently. I am going to put it on paper and I will know when I put it on paper if I am sympathetic with it." He wrote an advertisement and I wouldn't change one word in it, and I don't know whose advertisement best expresses what I am

thinking, Mr. Hummert's or Mr. O'Dea's.

That means a lot to all of us. It shows that there is something actual in it, don't you see? Or it couldn't be reduced to writing like that.

Now I don't know, reading these advertisements aloud, whether you get their full import, but if you go through Printers' Ink and notice the usual agency advertisement it leaves nothing for the man to think about. Lord & Thomas hasn't been advertised for years. I don't believe there is an agency service that can be successfully advertised the way we can, and over the term of many years if we run our text in this way in the papers, there will be a background to us, and prospects will know the type of man they expect to see.

And I believe no man can read this advertising without seeing that we are thoughtful people groping for light, who have made progress along our path from prior experience. That we have some light, we are seeking more light, we want to give out the light we have, and that we believe, as I deeply believe, that the only progress Lord & Thomas can really make in the copy end is as the whole line progresses.

I have always believed that, for when Kennedy gave me those first lessons I immediately published them to the whole world for the whole advertising world to know, because the more advertising there is the better for all advertising. It gets people in the habit of accepting advertised goods as the standard. We cannot possibly succeed without the whole line succeeding and we in turn are benefited.

In this art matter that I referred to yesterday—it was others who forced it on us. So any firm who doesn't believe what they know should be given for the common good and their own good in a line of work like this, I don't believe in them.

Now we are going to reach the advertiser by mail every week, with the brochure one week and in the interim with current advertising that we are preparing.

One of the gentlemen of the Chicago staff says that one of the things that, for instance, Erwin and Wasey had said against us in solicitations was that Lord & Thomas were a good, old house, but they couldn't prepare copy that was sightly and attractive.

I want to say that I think that the sightliest and most attractive copy, from the standpoint of art, appearing in advertising today is that of Lord & Thomas. And if we will push it our art will set over the art that others do compared to the salesman-like way in which we do it, for we use as fine artists as anybody, only we use the art always to make a point instead of using the art merely for art's sake. For instance, take Holeproof Hosiery, where Mr. Williams studied the type of woman to show in the picture. (He decided) that she should be a well dressed woman of good station in life, changing from the prior conception that what the advertiser looked

for as art and what even to me at that time appealed as pretty good, was a jazzy, attractive chorus girl. The average woman wants to look like a lady and like a chorus girl at the same time. She wants to be naughty and good both. "Naughty But Nice," is that the song?

You can tell from a lot of the advertising today that the art department gets it up first and then someone writes the advertising to go with the art. It must be so in many cases. There is a layout made. Is that right? You would know that better than I would. Whereas with us we first must get our headline, because the headline in the end today as 25 years ago is 90% of all there is to an ad. Why do I say 90%? Because if you don't stop them with your headline they won't read the rest. After you have stopped them with the headline the rest becomes 100%. In the newspaper the same way. Who is the big salaried man? The headline writer, because you must stop the people to read it.

In my early days that is where I was right, that advertising is news. You see, the headline must be the news that stops them. But from there on I didn't know that the text should be salesmanship in print. That is what Kennedy taught me. But first you must stop the street car before you can get on it. So you must write the headline first, and then having done that the art must be the cartoon that illustrates that headline. It can be done by Michelangelo. It doesn't have to be done by Gaar Williams. It doesn't necessarily mean indifferent art work. That is where I was wrong for a long time.

Now for years we haven't written a prospective advertiser or done any advertising (for ourselves) at all, and I think that after this promotion goes on for about a year we will have a rebirth in the public's mind; that is, the advertising managers will see that we are anxious for business. As a matter of fact, in all the years I was gone, we were not anxious for new business. I knew I had a machine that could give good service to those I had and that would hold them, but I was afraid of the machine if it took on new business for the reasons that I gave you. So we were not aggressive. But now we are very aggressive for new business because we built the machine to take hold of it and with a viewpoint that should be compelling. So we are going to publish these thoughts for what they are worth and we are going to make our service so it will be possible to give many advertisers what they aren't getting, if it appeals to them and they want to get it.

I think it is very necessary for all of us to study all the advertising we are doing. I think among other things that we have been very neglectful of this end, and we are putting on a gentleman especially here to look after it. I am issuing an order that of every advertisement we prepare for anyone, 200 proofs must be drawn off immediately, before it is released, from every office, and every copywriter and every plan man must be immediately sent one—not on pinks, but on whites, color and black and white. It will be sent

not folded, but flat, so that each of you can keep a portfolio, because the best advertisement for Lord & Thomas in talking to a client is the work we are doing. They don't understand it, they don't appreciate it. They don't ever see it in a systematic way. So each of you is going to be furnished with a portfolio, and every day you are going to get full proofs, on fine paper.

Now, that will cost us considerable money. We may have to have an extra pressroom, we may have to put on extra men over in the print shop to do it. It may cost us as much as $10,000 a year. But I am instructing Mr. Sollitt to put in the extra man, the extra machinery, so that if a color plate goes out tonight, 200 proofs of it are ready, so that we will keep a file here and each of you will have a file of every bit of current work we are doing, and as you talk to advertisers you can illustrate many a point by it.

The L&T 'Team' Is Ready for New Business

Lord & Thomas as you know, at this moment has but few accounts. We had at the close of business last night, 36 accounts in all our four offices. I will read through them quickly, just so our minds gather on it.

(The Standard Advertising Register for 1925 listed 48 Lord & Thomas accounts as follows. Presumably they were not all active or of real importance when Mr. Lasker said the agency had 36 accounts.

All-Year Club of Southern California, Los Angeles
American Tobacco Co., New York
American Walnut Mfrs. Assn., Chicago
Autopoint Products Co., Chicago
Auto Strop Safety Razor Co., New York
Barker Brothers, Los Angeles
Beverly Hills Hotel, Beverly Hills
Bissell Carpet Sweeper Co., Grand Rapids
Braden's California Products, Pasadena
Brunswick-Balke-Collender, Chicago
Cable Corp., Boston
California Fruit Growers' Exchange, Los Angeles
California Redwood Assn., San Francisco
California Walnut Growers' Assn., Los Angeles
Cellucotton Products Co., Chicago
Consumers Co., Chicago
Continental Scale Works, Chicago
Darling, Lou S., Seed Co., Petoskey, Mich.
Dollar Steamship Line, San Francisco
Electrical Research Laboratories, Chicago
Espey, J. E. Co., Pasadena
Federal Telegraph Co., New York
Foreman National Bank, Chicago
Fuld & Hatch Knitting Co., Albany, N. Y.
Gantner & Mattern Co., San Francisco
Goldman, Mary T. Inc., St. Paul
Greater Pasadena Chamber of Commerce Committee, Pasadena
Hallet & Davis Piano Co., Boston
Heller, L. & Son, New York
Holeproof Hosiery Co., Milwaukee
Jell Well Dessert Co., Los Angeles
Johnston, R. A. Co., Milwaukee
Jung Arch Brace Co., Cincinnati
Kayser, Julius, & Co., New York
Kellogg Switchboard & Supply Co., Chicago
Palmolive Co., Chicago
Pepsodent Co., Chicago
Quaker Oats Co., Chicago
Rubens & Marble, Chicago
Scientific Products Co., Chicago
Selz-Schwab Co., Chicago
Southern Pacific Co., San Francisco
Strom Ball Bearing Mfg. Co., Chicago
Studebaker Corp., South Bend
Todd Protectograph Co., Rochester
Union Oil Company of California, Los Angeles
West Disinfecting Co., New York
Western Co., Chicago

A gentleman on our staff was telling me the other day that in soliciting against J. Walter Thompson he found Thompson's representative had made the statement that Lord & Thomas was a house that specialized in patent medicines. And if you wanted a good patent medicine house, you wanted Lord & Thomas. So I feel it utterly essential that all of us carry around all the advertisements of Lord & Thomas and that all of us get more in the spirit of all the accounts that we are doing in that way, rather than just working on our individual accounts, because I want to get this machine so that it works as one.

And that brings me back to the advertisements (we have prepared) and finishes the announcements of the day. To get back to a machine that works as one, which means that we must go out with one common viewpoint, that when a man talks to Mr. Bishop of the Los Angeles office or to Mr. Hartman or Mr. Cole of the New York office or to Mr. Williams or Mr. Dodson, our newest babies in the Chicago office, he gets from them the identical fundamental viewpoint. For an advertising agency is a machine, the same as a factory. It is a human, intellectual machine, but it must be a machine. . .

I saw an advertisement—the other two leading houses, I said, are Thompson and Ayer—I saw an advertisement of Thompson's some time ago saying they had 65 accounts. We have 36, putting in everything we can think of. Ayer & Son—I believe I saw a statement that they have about 900. Is that right?

MEMBER: About 600 with their school accounts.

PRES. LASKER: How much business does Ayer do?

MEMBER: I don't know the exact figures: I think around $12,000,000. (Ayer actually billed $13,715,000 in 1924 and $17,000,000 in 1925, making a profit of $541,000 in the latter year, or 3.2% of billings.)

PRES. LASKER: Around $12,000,000. Well, I should think as between Ayer and ourselves, we do more. We did last year almost $14,000,000, and should this year pass that. But I think that year after year, Ayer and Thompson is doing the most.

MEMBER: About $22,000,000 this year, I believe.

PRES. LASKER: Well, I don't think they will do that much.

MEMBER: I got that from fairly good authority. It was over $19,000,000 last year.

PRES. LASKER: But they have already begun the losing process; they have lost several. You know the losing process begins. I would have guessed them to be around $19,000,000. Let's go by what we have done, not what we hope to do. Their hopes are like the hopes of some offices I ran.

I put them down as $18,000,000 to $19,000,000 last year. I thought they were doing about 50% more than we. I haven't the slightest desire to pass them for the sake of passing them, because what I have a desire to do is to give service in a way that brings results with the least strain and the greatest profit to the advertiser and the least strain and the greatest profit to us, so that we may last and so the advertiser will stay, and in that way I haven't the slightest doubt but that in time we will do all the business that we deserve to do and it may be more or less business than many others.

I don't want to compete with anyone on mere volume. I want to compete with every one on soundness. I want to feel really deeply that we are more sound than anyone else. I don't want to feel that through sophistry; if I can't feel it actually, I want to get out of business.

Of course, it is the greatest asset that we have the volume we have. If we are capitalizing on hopes, I hope to do $15,000,000 this year. Our busi-

ness last month was about $1,200,000. We billed the month before $1,130,-000. This month I should imagine we will bill between $1,400,000 and $1,500,-000, because last month the New York office did comparatively little. The New York office itself will do this month about, I imagine, $125,000 more billing than last month and Chicago will do considerably more.

As the result of the war and quantity production, advertising grew enormously in America and we didn't push at all, we practically didn't ask anyone to do business with us. Still we have this great business.

Now what will happen when we now start to go out and ask people to do business with us? I can't understand how someone didn't grow to $30,000,-000 if we could stay at $13,000,000. It proves to me inherently the strength of our viewpoint and how deeply grounded we are. I am really surprised and shocked that someone hasn't a larger volume. It just shows that when we go out we have to pass everyone, because we are so rightly grounded. We haven't invited anyone to do business with us. I know it thrilled me when I first came back from Washington, knowing that I hadn't gotten the organization in shape to take on a greater number of accounts, and wanting to keep up the quality of the service to those we have; that never was permitted to go down even in all the years I was gone, because our viewpoint was so rightly grounded that I could keep that going right even though I was away, because right viewpoint and right quality is always right and it doesn't take gymnastics to get it over.

I know I was distressed when we got new accounts, because we were not in a position to take them on. We didn't have our internal organization right in every way. I want to say that yesterday I said something I didn't mean. I said that I didn't think I was an executive. What I meant was a detail executive. I like to get men coordinated, but I haven't the temperament to run the details and that is what Mr. Sollitt supplied for me . . .

We had to supply certain things to expand our service and we had to divest ourselves of certain men, able men maybe, who for one reason or another had been introduced into the organization while I was away who I say didn't have our viewpoint. Then we had to get certain men to put on this team, like a baseball team, who we thought could be brought to have our viewpoint and could fill a particular place.

We had started the New York office and with the exception of Mr. O'Dea, whom I had sent there just a short time before, we had to let out everyone who was there. It had been started during my absence and we brought in all new men, but today in the New York office personnel we have a fine functioning machine. We have clients that we managed to get together who have been with us for some time, and I don't think any business is getting its clients closer to it than that business is. And I will say in passing we will bill there this month $168,000, and we will bill next month not quite as much perhaps, but right around there. Anyhow, that is pretty good.

Now you must remember that Thompson, for instance, in working up that volume we were speaking of, does a $9,000,000 business here in Chicago, where we did nothing in New York. Now wait and watch us get going in New York and see what business we will do. Ayer does a big business in New York. All our business has been done, save for about $2,000,000 on the Coast, out of this office.

Now you add on to last year, we did maybe $700,000 out of New York, say we did $13,000,000 without New York, you add what we are going to do in five years in New York, with our re-birth here, and you can measure for yourself whether you are in the land of advertising agency opportunity when you are with Lord & Thomas, because we are just getting started.

All this tired-out feeling I had from all the years of being in the agency business has left me because of the diversion I took on the outside, and the outside viewpoint that it gave me towards our own business has filled me with enthusiasm to be back on the job. I am here to try to bring this business forward right now the same as we brought it forward 20 years ago, to start off again.

You can liken this institution to the Doctors Mayo at Rochester, Minnesota. You don't find the doctors there having different viewpoint, different bases of diagnosis, different ways of looking after a patient. People in their own home town can go to very eminent doctors, but they come by the thousands to the Doctors Mayo. Why? Because the Doctors Mayo have worked out a professional system whereby even the greatest doctors in America come up there when something is wrong with themselves; and I want to tell you that within the last week two goodly sized advertising agents—it wouldn't be fair to say their names—one from New York and one from Chicago—have spent several hours in my office asking me for advice and viewpoint in their business. I wouldn't give their names. One of them, the New York agent, told me he did $4,000,000 billing last year.

When I talk to these competitors . . . they ask me questions that show pretty clearly where they think is advertising headquarters. It is one of the greatest dividends I get out of the business, and I take more pleasure, I don't mean more pride, but more pleasure, when someone else in our line comes to me that way than I do when I get a new account. And one of the greatest dividends I have out of my advertising work is all these men who have been here who are out successfully in business for themselves.

Now, when a patient comes up to the Doctors Mayo very often Dr. Mayo never sees the patient, but they have developed a system based on experience that leads to the common sense way to handle these patients. A man comes in and it may be that ten or fifteen or twenty doctors examine him, each one of them a specialist, and they find out the history of his body. And then, when all that is collated, it is always brought to one of the Doctors Mayo, who sits down with those who worked on it and interprets it.

A Lesson in Advertising's Limitations

As advertising itself grew to be better understood, as men engaged in the business realized that it was salesmanship in print, as they realized that in copy you had to give the reason why, in order to bring about salesmanship that gets a response; as a better understanding of the typography and art in advertising came about, as more men were attracted into the line through the development of the line itself, through the coming about of better advertising, competition became intensely keener. Once we could go in and talk salesmanship in print.

In years gone by we could sit and talk to a man for six hours on something that, if we took six seconds today, he would wonder why we were wasting his time, because all men know it. So it has come about if you pick up a magazine where 20 years ago there wasn't 5% of good advertising, today in magazines and newspapers 80% of advertising is good. The advertising agencies of America through accumulated experience have scientifically worked out the road and the reasons to mass appeal.

Now, when I say 80% is good advertising, I don't mean that in the 80% some isn't better advertising than other, and that maybe 3% isn't the best advertising. And when I say that there are many agencies that I wouldn't hesitate to go to if Lord & Thomas weren't in business, I don't mean to say that there aren't gradations of preference in my mind, based on my judgment of their abilities. What I mean to say is that the average is high, but the discriminating know just that shading where in one place it is better than another.

Right here is an elementary factor that is ofttimes missing: The advertising is good, but there are little plusages that can be put in that can take that same good advertising and make the dollars and cents results infinitely greater—little plusages that the average man and the average advertiser and the average agent wouldn't know about and wouldn't think about.

Then there comes the understanding of the limitations of advertising, and knowing how far advertising can't go as well as how far advertising can go. And it is those things which we are undertaking to preach in our copy and it is those things that I want to impregnate you with; and I have to go about this very carefully because, as I said yesterday, this is a force

that is very hard to use. It is something like radium—used rightly it will cure seemingly incurable cases, used wrongly it burns the patient and scars him for life. And the danger of what I am unfolding to you is that, wrongly used, and often rightly used, if you don't guard yourself, it can be misinterpreted.

Only yesterday Mr. Cole came to me and said, "You called on Mr. So and So, a client, with me in New York. The day after you left"— the man was lovely while I was there—"he came up to the office to see me and he said, 'I am very disturbed about Mr. Lasker. I didn't get what he was talking about yesterday. He slung around figures so much and such big figures, I couldn't follow him, and it seemed to me that he meant just the opposite of what he said.'"

Now I want to tell you what passed between that man and myself, because I would rather always teach you on something that goes wrong that I did than on something that goes wrong that you do:

This man is with a firm that spends $400,000 a year. When I came down the New York office had prepared a program of expenditures for him that, even if he and they could insist on, I doubt I would agree to handle, because I know basically and fundamentally it is wrong. This man makes three kinds of goods. He had doubted whether advertising could pay, and so he had taken three different territories for the fall and divided his appropriations; in Territory A if he had a big sale on a certain line of goods, he wasn't going to advertise there this fall, he was going to advertise the line in which he didn't have the sale; and B and C treated accordingly, so that he had a very meager appropriation for any one item, and his is entirely a seasonal article, with a very short sales period.

Now, no one has stood more for test than we; we are the originator of the test idea. But every business isn't in shape to stand the test. That is where the forces are misunderstood. You cannot test for an established business that calls you in after it has a nationwide distribution, unless in a business of a certain type they wanted to take a small territory, through a term of years, because ofttimes it takes years to prove an increase in an item if that item has been sold for 50 years; whereas with a concern that has never been in the line, or that goes into a new line, you might make a test that can show up in six months.

And so when we talk test we have to understand these gradations and things. Why, I knew that test would only result in our being out, and I asked Mr. Cole: "Would you accept from a competitor of theirs that make any one of these items this sort of a 60 day test, in a big territory where they weren't selling goods?"

And he said, "Of course I wouldn't."

I said, "If you wouldn't from a new client, then certainly don't do it with an old client."

So we went down and talked that over with the advertiser and he was

fully sympathetic and accepted our amended views, that he would spend his whole appropriation over one item and rely on that largely to carry the others, and he is going to proceed on that basis; and that was the big thing I could have done for him and everything else was incidental.

But Mr. Cole had written me that they were thinking of increasing their appropriation next year to $600,000, and I knew very well from the setup of that firm and its internal condition that they were a firm that was not in position to make a showing quickly on advertising and that if they spent $600,000 and didn't immediately get a vastly greater result, it would make them impatient with advertising, and, in the final analysis they would be less far along, advertisingly speaking, than if we kept them to a smaller amount and moved gradually.

And, not wanting to refer directly to Mr. Cole's letter, I said to the man, "One of the things you are working against is that all advertisers are your competitors. You are spending $400,000 but in our office we have accounts like Studebaker, Pepsodent, Palmolive, that spend $2,000,000 a year and more. We have other accounts that spend $1,500,000. And if you increase your advertising too fast, you are competing with them for reader attention. I am afraid you won't get the result you expect. So we had better proceed, from my knowledge of your internal conditions, more cautiously."

And he came the next day, much disturbed, to see Mr. Cole, said I had slung around such big figures that it confused him and he thought I had told him this, maybe, with a view to getting him to spend more money, that I was making a negative solicitation. Mr. Cole knows that when I left I said to him: "I want you to stick to what I said. It is dangerous if you let them spend too much money too fast."

But here was the mistake I made. I spoke about Studebaker, Palmolive, and other bigger accounts, and that made him feel that he wasn't important to us. I should have known better. I wouldn't forgive it in one of you if you did it. It would be stupid. Mr. Cole got this man straightened out. I have no shame about it. The man is following my advice, and my advice is worth all the commissions he is going to pay us for many a year. Still I am in bad with him.

And that is the way with everything that we give you. If I could use it wrongly, it shows how easily you could use it wrongly, and I want to warn you that you are going to ruin yourselves and us unless you use it very carefully, because of this: "The greater the truth," they say in England, in law, "the greater the libel," and, conversely, the greater a new truth you put out, the more resistance there is to it. They wanted to lynch Columbus when he said the world was round, didn't they?

When the first automobiles came out they laughed at them. Every new thought, every new thing makes men suspicious. We all like to go on in the even tenor of our way. A man has been so used to being told always that he should spend more in advertising that, when someone comes along and

warns him not to spend more, he is suspicious, because he says, "An advertising agent must want me to spend more; they can't make money unless I spend more." They don't know that we selfishly can't afford to see the goose that lays the golden eggs commit suicide.

Some of you may remember an experience with our good friends the Palmolive Co., as fine clients as the world ever had, because they are perfectly competent to serve themselves and have a full understanding of the asset value and the limitations of any agency. They are wonderful advertisers in their comprehension of the force of advertising. They had been pushing shampoo, spending $250,000 a year for three years. The very first thing I did when I came back from Washington was to go over to them and ask them to discontinue their shampoo advertising, because they had proceeded far enough along that line. On the books it could be proved to them that we had not worked out a way to make shampoo advertising pay.

Now, they were not suspicious. They had grown up in the work, and they discontinued their shampoo advertising, and the next year they found another way of pushing shampoo, not connected with advertising, that gave them the biggest increase they ever had.

That is the type of work an agent should do. He should understand those forces. And the message we are trying to get out is a message that will at once bring advertising to its full glory and at the same time warn the world on the limitations of advertising, so that advertising will not lose any of its glory by a man expecting too much. That's the reason for the advertisement "A Hole in One," that a man won't expect advertising to make him shoot a 72 in his business if he is only an 80 shooter, because if he expects too much of advertising, then when it gives him a normal result, he isn't getting that which he expected and he takes out his disappointment against advertising and against the agency.

Lasker Holds Forth Against Plus Services

Now, I want to make one thing clear. I want to differentiate. I say that we in Lord & Thomas can make the average advertising pay even better than all the fine advertising done, because we know how to put a plusage in copy, and I am going to cover that with you later. That is the difference between us and practically everyone else. That is the reason why we will once again assume leadership, if we can just spread this program and this experience.

There is a plusage in copy you can put in, but there has come into the line a plusage in advertising service, which is quite a different thing. The newspapers wanting to get business say, "We will go out and sell your goods for you." They say: "We have got a chain of merchandising stores, 812, that will put in any goods that are advertised in our papers, that will go and put them in their windows, and our rate is just the same."

Agents come along and they say, "We are going out and make research for you." One of my own associates told me the other day that he told a firm he was going out and find out for them why their dealers failed to sell him a piece of goods when he walked in the store and he was going to prove it—and this is a good man, too, a man I have hopes of developing. He may be right in his viewpoint, but he can't represent Lord & Thomas with that viewpoint, because we have a conflict of viewpoints (if he thought) that he was going to prove that he could go in their agent's stores and walk out of 12 stores without giving his name.

That reminds me of the fellow who goes in to watch the vaudeville artists and sits down in the front row and dares them to make him laugh. I will get out of any store without giving my name if I start to do that. But this appealed to that advertiser very much, and this associate of ours said to me, when I asked him how he could recommend a plan that had been tried and had failed, that he felt the client who had tried it and had failed hadn't tried it right. I didn't ask him the next question, "Did you tell that to the prospect?" I know he didn't.

Now, a little of that has crept into our institution while I was away. I had one man lately connected with us who got out and has cleared the way for me to clear this thing up and to get all of us talking and thinking on identical lines, because it is only if we talk and think on identical lines that we can make ourselves felt. There may be more than one right way—there

may be many right ways—but in any one institution we must adopt one right way and all stand for that one right way, because if we undertake a marriage of different viewpoints, we will get such a conglomeration to the advertiser that he will get no results at all.

I am perfectly willing and anxious for discussion, comment and criticism on the program and the policies that we define and lay down, from any and all of you. I invite it, I know we can't be absolutely along the right line, we need experience. Look at the experience I got from (the talk with) this one man where I made a "bull." He accepted my advice 100% and yet was 80% prejudiced against me, because I didn't handle it right.

And, far from resenting Mr. Cole coming and making that report, I wanted it and I asked him if he had told his associates in New York and he said no, that he thought it might be embarrassing to me. Well, heavens, I have no embarrassment where there is a lesson to be learned, even though I am the medium through which the lesson is to be learned, and if any of you are so thin-skinned as to feel embarrassed under similar circumstances, we aren't going to get along together.

I don't ask you to have consideration for me if it is a false consideration. We must learn lessons, but we must have a viewpoint, and study how to present that viewpoint so it doesn't do us hurt but helps instead, because whenever you have a very positive differing viewpoint from everyone else, you can do yourself a world of hurt with it, and what we want to do is to do ourselves good and benefit and aid others in the doing of it.

Now, I am just giving this sort of rambling along. But to get back to this false plusage . . .

An advertiser might be getting good copy and getting good results and be perfectly satisfied (and maybe no reason why he shouldn't be), but along would come a competing agency—and they had to live—and so they said:

"Does your agent know what the reaction of the dealer on Main and 8th Streets in Monmouth, Ill., is to your goods? Does your agent know the reaction at 11:22 on a given morning to a man walking across the street at a given angle to one of your pieces of goods displayed in a given window?"

And, by gum and by heck, the man realized his agent didn't know that, and so this fellow says, "Well, I have made great studies of that kind and I can go out and make surveys, and I will find out for you, and you ought to know that." And if the man happened to be a live-stock raiser, he would often go out and make a great research and come back and profoundly report to the advertiser that a jackass has two ears.

Now, I don't want for one moment to be misunderstood—that there isn't certain fundamental research work that an agent has to do to understand the public's reaction. I don't mean to say that for one moment. I think that we or any other agent could not operate without studies in given instances.

But I do want to say emphatically that to preach the propaganda of re-

search in every instance is to make the whole thing absurd. The final result is, when you give this hokum—when you stick in this morphine—that the advertiser expects bigger and bigger dosages until the time has come in many cases in America today among advertisers where they rely on the agent to give them general merchandising advice, pass on his sales force, pass on his sales manager, pass on how many salesmen he should have in a given town, instruct the advertiser as to the conduct of his business and heaven knows what else.

It is from this standpoint that I am protesting; it is the very point that I know is weakening the advertiser in the management of his own business, and is detracting from the power of advertising itself, giving a lack of appreciation of that power when it is at its highest point. It is leading the advertising agency business, which has reached a professional point such as it never occupied in the past, into a competition of bunco slinging.

And so I want to join with you in leading the advertiser back to an understanding of his own strength, of his own potentiality, of his own powers, of the strength, power and potentiality of advertising as a force and of the strength, power and potentiality of an agent as an accessory.

Unless we present this rightly, we get the opposite reaction from what we expect and intend, just as I got it with Mr. Cole's client. We are dedicated to that by these advertisements we are planning to publish, but most of all by my declaration of policy based on experience. I don't want to say that we are not going to compromise with our views with many advertisers; I don't want to say that with some present clients I would dare push these views too hard—with clients to whom we are really giving the right service and with whom, if I pushed these views too much, it might get the opposite effect and they might get worried that they ought to have the very thing they are not getting and which they ought not have.

This is something on which we must feel our way and gradually I am sure it will come to acceptance, because it is right. But here and there is an advertiser who isn't with us now to whom it will appeal, and in the next two or three years if we get eight or ten new good accounts to add to our 36 we have made wonderful strides. We don't have to get so many. But if we join together and understand this, we not only can, working with intelligence, change the whole complexion of our own business, but we can make a further contribution to our art and to our profession.

These advertisements you will see enunciate some of these views. They don't go into detail, but as time goes on we will publish more advertisements and we will have more meetings like this because as we get out advertisements, as we develop the new thought—and we want suggestions from all of you—we will talk over what we mean by it. For instance, here is an advertisement, "Why We Claim No Major Part in the Successes Pointed to As Ours":

Why We Claim
No Major Part

in the successes pointed to as ours

MANY noted successes in advertising are pointed to as of Lord & Thomas —mastery of markets in many lines.

Yet in truth we claim no major part in even one.

We hold that no business which could not succeed without us could gain the pinnacle because of us.

The only role we play in the drama of success is as an able helper. A lieutenant whose only genius is that of common sense.

* * *

To us that seems the only attainment men in our work can justly claim . . . to recognize things for what they are, to follow the precepts of common sense.

That is a simple formula. Anyone can apply it. Build merchandising plans around it, on a wanted product, and they will win. Thread copy with it, and it will sell the millions.

* * *

Study the strategy of successful advertising agents, and you will find it founded on those principles. A strategy fabricated in knowledge that the end must justify the means; that expenditures must be planned with profit sheets in mind.

Thus at times, advertising pressure is cautiously applied. And frequently, retrenchment advocated when immunity from competitive attack admits it.

Contrariwise, there come times when great aggressiveness, the straining of all muscles becomes the course of multiplying profits, of gaining outstanding leadership, when selling effort and advertising pressure must be exercised to their utmost.

* * *

Hence the province of an advertising agent is to gain two points for a client: entrenched leadership and consistent earnings.

He must sacrifice neither to the other.

He must fearlessly advocate, when and as necessary, either added pressure, or passing retrenchment.

But, above all things, his judgment must be based on true experience, on the unique analysis that's born of caution . . . *the end must justify the means.*

THE L&T FORMULA—This ad, from which Mr. Lasker reads in this instalment, was reproduced from one of a series of pocket-size folders which Lord & Thomas produced during 1925.

"Many noted successes in advertising are pointed to as of Lord & Thomas—mastery of markets in many lines.

"Yet in truth we claim no major part in even one.

"We hold that no business which could not succeed without us could gain the pinnacle because of us.

"The only role we play in the drama of success is as an able helper. A lieutenant whose only genius is that of common sense."

That is true with every client we have or anyone else has. In my talks of the last two days you will note that I have built up this idea time and again. This is just putting it into generalities.

Now, what do I mean when I say that no advertiser who could succeed without us could succeed with us? Of course, I want to say this: I am referring here more largely to manufacturers; I am not referring to patent medicines, which we don't handle. That is entirely advertising, and we can succeed for a man who might never have been successful without us, because we can run his whole business for him just by writing him a letter every day and telling him what to do, if he will send us his reports. And I want you to get that right.

And in the early days of advertising, before its force was understood, when we were the only ones who understood it, we could go to a man like the 1900 Washer and show him where he was all wrong. But today we cannot claim to do that, because if the 1900 Washer man hadn't found us, if he were in the market today, he could find scores of others who could do it for him. Do you get what I mean? Things have changed, times have changed.

There was a time when we could succeed in advertising for the people who couldn't succeed without us, but save those few products that are 100% advertising, there is no such man today, because we no longer have exclusive advertising understanding. It is shared with too many. So all we can claim, if we are to have behind us the dignity of truth, is that we are able helpers.

A 'Plusage' for Cellucotton

I will explain to you what I mean.

The Kotex people came to us. I believe it is very likely—I don't say surely--that within a few years they will be the largest client we have or ever had because they have an article that every woman can and should use and will use. They have several such articles. The mean thing about the laundry always has been the napkins of women. They are also making an absorbent paper that will take the dirt out of the face and you can throw it away and don't have to put it in the laundry. And they make napkins that absorb and don't have to go into the laundry, and they have in the United States alone I presume thirty odd million adult women among whom to work.

Now, when they came to us they were getting good copy. As a matter of fact, there was very little that we could do to improve the copy. The copy was very beautiful, sound, but the business wasn't growing as fast as they thought it should. Now, we didn't have to make investigations among millions of women. Just a few of us talked to our wives and asked them if they used Kotex, and we found they didn't, and in almost every case it was because they didn't like to ask the druggist for it.

Now, as a result of 50 years of continuous work, we knew immediately when we got that; we were sensitive that that would be a general public reaction. Ten thousand experiences make us sensitive the minute we hear something that is basic. We don't have to send out on a basic thing and ask one hundred thousand women. You know the experience that an advertiser gets who comes with us. I have been here 27 years, Mr. Troupe has been here 40 years, Mr. O'Dea has been in the advertising business 20 years, Mr. Hummert as long. If you add the accumulated experience that he gets in advertising alone, in every bit of work that goes on in here, he gets the experience of centuries of accumulated effort.

That is why the small agent can't equal the big agent; he hasn't enough viewpoint, enough experience. We don't have to go out, with those centuries of experience, on every case.

And so we developed for Kotex the simple idea of putting wrapped packages on the dealer's counter and of advertising in dailies as well as in magazines—diverting part of the appropriation from the perfectly wonderful magazine copy they had been using before and simply saying something in

dailies about Kotex and that you could walk into your dealer and walk away with a wrapped package without embarrassment—a free one, or lay down fifty cents. And we wrapped not only the samples we gave away, but we educated dealers by circulars and through their men to put wrapped packages of Kotex on their counters, and the business boomed by leaps and bounds, and we have no better friends than the Cellucotton company.

That was merchandising, wasn't it? But that is the type of merchandising that is a plusage to copy. We didn't go in for the type of merchandising that told them how to organize a sales force, or we shouldn't have. One of our men who had differing views tried to. He is out and we are in. He represents what is wrong and we represent what is right, and when we couldn't get the wrong out of him, we had to lose him in order to keep this institution right; because he was making them feel, the Kotex people, that these very satisfactory results they were getting from us were such that they should let us run their sales manager, that they should let us run their discount system.

And in talking it over with the owners of Kotex I said, "I cannot subscribe to that. You must put in a sales manager strong enough to know whether we are doing our work right, and if we in Lord & Thomas are not doing our work right, then the sales manager should have the right to get another agent. We cannot run your business for you. We have too many other clients. We can only run your business as it relates to advertising, and you make a mistake if you rely on us to run your business too much from your general merchandising standpoint. It can only be done by one whose whole life is in it, not for six months' investigation of your business, and not for one year's investigation of it, not with 100 outside men working under him to find out things only to have him pass on to another investigation. Your whole business can only be run by someone who is in it 365 days a year and expects to be in it until he dies.

"But we can add to your advertising, yes. There are many good advertising agents, any percentage of advertising is good; but we gave you something that your other agent, who ran as good copy for you as we are ever going to prepare, didn't give you. We told you to wrap the package."

And what else did we do for them? We aided in suggesting the use of Kleenex. But after we suggested it someone got up the idea that it must be sold for 25¢ and the size should be, I think 6x7". Well, I personally asked half a dozen women who I knew spent a lot of money on cosmetics to use it, and these half a dozen all said, "It may be all right, but I can't use it, it is too small; it ought to be the size that is now being put out in paper by Elizabeth Arden and the Dennison Company." And I found out that Elizabeth Arden was making $100,000 a year, and all these women said that the other stuff wasn't nearly as good as Kleenex. But the size wasn't right, it ought to be 9x10."

So I went to the Cellucotton people and told them, and they changed the

CABINET AVAILABLE—One of the trade ads used by Kleenex in 1930 to offer wall cabinets to dentists, doctors, beauty shops, and other users. The wall cabinet idea for private homes, which Mr. Lasker discusses in this instalment, was abandoned because tile walls made it too difficult to hang. The current Kleenex package has cutouts on the back which enable users to hang it on a wall if they desire.

size to 9x10". We didn't have to ask thousands of women. We know enough to know if there are others in the line who have pioneered, they have found out the right size, they have paid for it. All we had to do was to go and buy what they made and with our superior goods make it different.

Then the Cellucotton people came to us and they said to us,"There is one thing against this large size. The average woman hasn't room on her dressing table, she hasn't the bathroom facility for such a big package as 9x10." So our staff very ingeniously is getting up a very beautiful hanger whereby it can be hung and, like drinking cups, taken out, and just the right quantity taken out, and we are considering possibly only giving 75% as much goods in that size, because there won't be the waste and the women will have the service."

Now, that is proper advertising agency merchandising service. That is the type of merchandising service, the plusage in copy, we must give. But it all has to do with consumer viewpoint. The minute they pull us off of the consumer's viewpoint and get us to take part in all their dealer problems, then they lose the greatest value we have. Every dollar a manufacturer spends is in plant and to dealers, other than what he spends in advertising. That is the only direct contact he has with consumers, and in the end, the one who determines his business is the consumer. And the benefit of the advertising agency system of America today, without which advertisers could not live, must be that they represent to the manufacturer always the consumer's viewpoint. Wherever a problem comes in that is a consumer's problem, that is properly a part of the copy. You must study it, you must know about it, you must even, if necessary, get them to change the goods in order that your copy can be salesmanship in print. However, if the manufacturer drags you into that other merchandising end, everything connected with the dealer, he takes away from you that very sensitiveness of consumer reaction which can remain only if you keep your whole life attuned to consumer reaction.

And what difference would our advice to Kotex make on handling dealers and their sales force compared to our cooperation in those things that have to do with consumption? . . . There are too many good agents. A man ought to build up a sales manager and an advertising manager who are independent of any one agency. We no longer ought to be able to claim that we can make any advertiser successful who couldn't succeed without us, as we did in the stone age when we were the first to know advertising.

The only thing that we ought to be able to claim is this: that any advertiser who would succeed with any agent will succeed with us; that because we know the great power of advertising and because we know its limitations and because of our centuries of accumulated and combined experience; because we have been in business under one firm name for 53 years; because we have all the expert talent with us that we have, we can advise him

instantly what to do and save loss of time, giving him that advice out of the storehouse of our experience without having to lose six months going out to do research, only to come back and tell us that a jackass has two ears when we knew all the time that a jackass has two ears. We give him the service and we give it to him easily and we give it to him to get him the maximum of profit.

Now, the only thing we can represent is this, that he will get it from us in the quickest possible time and to the maximum result. He may deal with a less competent agent. Well, if he isn't smart enough to find it out, he will be a success anyhow and he will quit that agent and go to some other agency, us or someone else, who can handle that problem for him. All we claim is that when he comes to us he has found the ultimate. If he was the type of advertiser who didn't know he had found the ultimate with us, then he would not be able enough to have a business that would interest us. On the other hand, that advertiser, if he never found us, would ultimately by changing find somebody who could do the job well enough for him so he would have been successful if he had never heard of us.

All we say is, "Why look around, because we are just going to talk common sense to you? The power of advertising is known. The American public, the American people, have a wealth such as no other nation in the world has ever known. Starting with 13 states on a narrow strip on the Atlantic ocean, with an empire whose wealth was still unknown, these people started to develop this empire and to get from the ground the riches nature had put into it. The best of Europe came here. The immigrant who looked the slouchiest might be the best Europe had, because he was dissatisfied with conditions there, and a man who is so dissatisfied that he will leave his mother land and go to an alien country, who will pioneer, is the very best that that nation has to give, because he is a creator, he is a man of initiative, a man willing to make sacrifices."

And so up until the time of the Civil War, and even afterwards, Europe poured its very best in to us. I don't mean its aristocracy, ready, maybe, to decay; I mean its best to build for the future. And we conquered this country. And then these heterogeneous people got together and we are making a homogeneous people out of them.

But as they conquered this country and we got to be a common people, and with the great natural wealth that was here, we felt we had a right to greater luxuries than other people had. And so in America you will find seventeen million automobiles, 80% of all the automobiles in the world. Radio is a new art, four years old. You will find 50% of the homes and 80% of the radios, more, I believe, in the United States than in all the rest of the world. You will find eighteen million savings bank depositors, thirteen million owners of common shares in industrial institutions, a nation the average prosperity of which is the highest ever known. And as the people

get more prosperous, they get greater desires, they work the harder to satisfy those desires; and as they work the harder to satisfy these desires, they have to create things that, in turn, they can sell to others, who are creating things for them to buy.

In this whole picture, with the great newspaper and magazine system that we have, advertising became a natural development to create wants, and as it created wants, it performed a wonderful service in our economic and social life, because as it made desires greater it did make for us a better people, not a more material people.

And then, as advertising created these desires and as the force of advertising became understood, it became the usual rather than the rare thing to use in a business, and in the early days there was some reason for an agent saying, "I will help hook up this advertising with your merchandising," But advertising has become standardized and it is known today as a wonderful force, one of the greatest forces that has come in American life in the last three decades. It has been one of the leading ones to change the complexion of American life for the better, and it has developed a profession—that is one of the highest in America.

But in the competition—to get back to my text—the agent got to promising to do things that would positively weaken the manufacturer from within his organization. The agent who does these things weakens the manufacturer from a personnel standpoint and he weakens the manufacturer's own viewpoint. He makes him dependent on a crutch that is made of a reed, and if he puts too much weight on it, it is going to break.

The News Is: 'Shot from Guns'

There is much in merchandising that an agency always must do for the advertiser, because salesmanship in print is copy, and copy must be salesmanship in print. Salesmanship in print must tell what the consumer wants to know, and there are certain things that the consumer wants that maybe the goods haven't in them inherently, and the good agent must see that the goods are changed.

He tells this to the advertiser from the richness of his experience. And right here is the trouble with our business: A man is spending $2,000,000 and we get $300,000 in commissions. He looks at those commissions and he forgets that it costs us 10% to do business, before we have added any extra expense, and he thinks of all the money the agent is making and so he wants the agent to do a world of extraneous things.

He forgets that the agent may sit down and in the second hour he is doing business with him—from the richness of his experience—give him ideas that he learned in another place, that can be applied to his business that if he paid that agent $300,000 a year every year, he would never pay him anywhere near what the ideas are worth in earning power.

Now, why isn't there proper appreciation of agency service? Because in the competition for business we have discounted the power of advertising and the power of seasoned agency experience until the advertiser has been led to expect new gymnastic miracles every once in a while—miracles which can't be performed. He may go two years, he may go three years, he may go five years until he needs some of this extraordinary advice, but many a worse agent has it on tap besides Lord & Thomas.

I remember years ago when we first got the Quaker Oats Co. account, they were doing their advertising through an agency that charged them $10,000 a year and they had the right to place all the advertising they wanted through this agency. Then they decided that they needed an outside viewpoint on a product they had great confidence in. It was called "Wheat Berries" when made of wheat and "Puffed Berries" when made out of rice. But they were making no progress. They said:

"From within our organization we haven't the viewpoint. We must send for an outside viewpoint." They sent for 19 advertising agents, and Mr. Hopkins and I went to see them, and on our first interview, within ten min-

utes from the time they gave us their problem, we gave them our solution and they awarded us the business. I think it is 15 or 16 years that we have been with them, and they have never digressed for one moment from what we advised in that first ten minutes.

We said, "Here you are running pictures on your rice and you are showing pictures of Japanese and Chinese eating rice. The American people don't want to be Chinafied. You are insinuating to them that they should adopt what they consider a lower standard. There is no news value in your copy."

And they explained to us how they made these things—that they actually shot them, after heating them up to a high temperature, from wooden guns, exploding them in cold air; that broke up the starch cells and they became eight times their natural size.

We said, "In our copy let's just tell the story of what you do. There is news in that and people will read news. You are just telling about the finished product, when the news of your product is the wonderful way it is made."

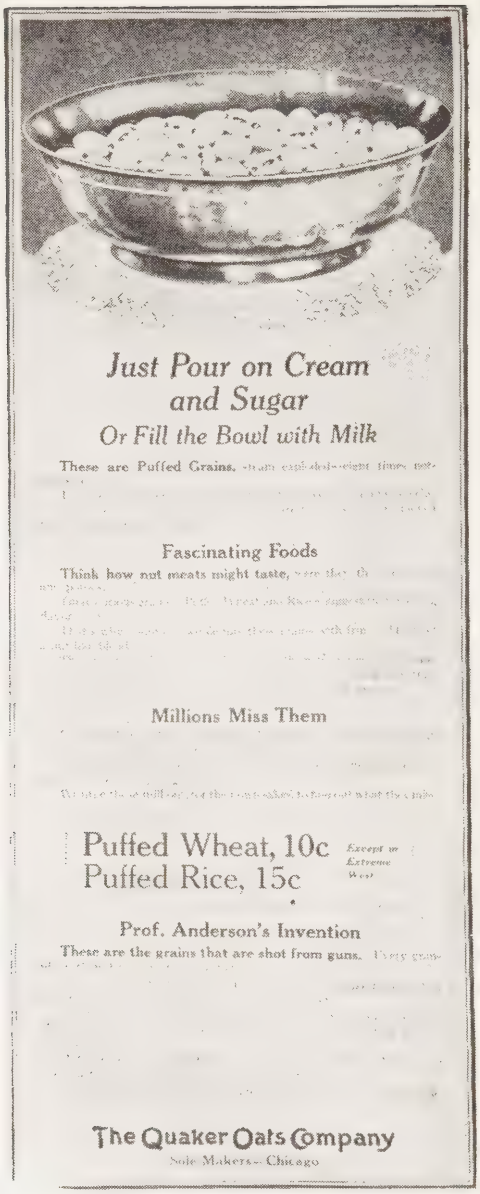
And then we said, "Why do you call one of your products 'Wheat Berries' and the other 'Puffed Berries' with a divided appropriation? You haven't enough advertising behind either one."

And they said, "Well, we want to sell both. If we call them both by the same name, people may use one or they may use the other, but they won't use them both."

And we replied from prior experience, not because we were smarter or more able than the client. I have no doubt that we have many clients who, if they had had our experience, would be much abler at interpreting the consumer's viewpoint than we are today. I want to emphasize that, because I mean it. I want to deify the advertiser with himself and give him a little more appreciation of himself than he is willing to give, because he deserves it and he will get better service out of us and a better cash drawer result if he understands our limitations. And we can well afford to concede our limitations because the power of the experienced advertising agent is so wonderful that he doesn't need anything extraneous to make a strong case.

Anyhow, we said to the Quaker Oats people "Why have two appropriations? Why call them two things?"

And they answered just as I told you before. But we said, "Here, we cannot fool the public. When they get it they will see one is wheat grains that have been puffed and one is rice grains that have been puffed, and they are going to make their selection anyhow. So let's advertise them both together and get a big appropriation and let normal selectivity take its course. What you want is to have the public pleased, and if a man is going be more pleased with wheat than he is with rice, then let's have him



SHOT FROM GUNS—This half-page magazine ad is, Quaker Oats believes, the first one which refers to "food shot from guns." It was published in January, 1913.

using wheat."

They said, "All right, let's call them both by the same name," and so they called one "Puffed Wheat" and the other "Puffed Rice."

Then we said, from our experience, "You are charging too little for these goods. You give three and a half ounces for 10¢, and with another product that goes on the same breakfast table you give 22 ounces for 10¢. Now, that shows that the people who buy the puffed product aren't considering food value. You are selling so little of these products that you cannot even afford to sell them at 10¢. These products are luxuries, and we want you to raise the price, and that increased price will give you more money for advertising."

And they did it and the price has always been kept up. They had made the price ten cents because other food products were selling at ten cents, but it was out of proportion, and we said to them, "Anyone who will give ten cents for three and a half ounces" (or four and a half ounces or whatever it was) "shows they don't care about what they pay. A little more is no more." And the Quaker Oats Co. has been our valued friend and client ever since, and subsequently awarded us the Quaker Oats advertising, within a couple of years.

Well, within a short time there came a new style of oats in America, oats that were partially cooked. When Quaker made their first experiments they didn't tell us about it and they got out some packages under the name of "Instant Quaker."

When we saw the packages we suggested they change the name to "Quick Quaker," because "Quick Quaker" had an appeal to it that "Instant Quaker" did not, and it had the additional value that "Quick Quaker" could not very well be imitated. We suggested that name and they adopted our suggestion. Now, we were worthy of our hire, even if it took us years to make another suggestion.

But some of the men in the company didn't know how to advertise the new product. They said, "Here, we have this wonderful business on the old-style Quaker, and we don't want to hurt that."

Our answer to them was, "Turn back a page from your own experience. If you so much as sell both of them, the public will finally come to its own conclusion, and what you want to do is be sure that the public can get whatever it wants in your goods. So let's advertise them together and let the public make its choice." And we did. And so in the Quaker Oats Co. itself we got the experience in one case that gave us the judgment to advise them years later on another problem of their own, and it has been very successful.

Now, the Quaker Oats Co. would have succeeded if they had never seen us or never heard of us. They talked to 19 agents, and undoubtedly there was some other one as good as we were, but they could select only one and

we were the one. But we could have made the most tremendous field investigations for Quaker Oats and found out about color schemes on packages and a world of other detail that would have taken us off of the main problem. But the major thought is what has counted.

In the Quaker Oats Co. itself they have but lately made a suggestion to us that they feel—and I think there is a measure of right in this—that we should give more study from the consumer's viewpoint to food values, because they being so close, as manufacturers, can't make that study themselves. That is a research work we ought to do and do properly.

But if they make the suggestion that we go out and find out their dealer conditions, that is a research work I want to resist. That is a plusage that is absolutely extraneous, and that is the bunk that is taking away from an appreciation of advertising and of the service of the advertising agency.

It is those things that we mean when we say "Common Sense in Advertising, and the Application of Common Sense." It is perfectly common sense to have the thought when you advertise two puffed goods or two kinds of oats that the public is going to make its own decision. Therefore, we didn't have to go out and investigate among thousands of people, because if we asked the people, "What would you like to do under these circumstances?" the people wouldn't know until the circumstances actually confronted them.

I can send out for any advertiser and give him any survey he wants. I walk into stores and guarantee to walk out of 12 without any salesman finding out my name; or I will guarantee to walk out of 12 and have every one of them ask me my name. It is all according to the mental attitude with which I go in. That kind of thing you can't tell until the tests are made under actual conditions.

But from past experience your mind gets trained to common sense, and when an advertiser comes to us with the problem, "Should I advertise both pieces of goods together, or separately?" common sense comes to us and tells us that the consumer is finally going to make his own choice, and therefore that there is nothing that we accomplish by separating them.

Of course, I could give you illustrations like this and talk to you for the next several months. I can always talk, but the boys here want to make a train back to New York and I don't want to give you too much at one time. I am going to let what I say sink in.

(It is extremely interesting to note here that Mr. Lasker was doing more than merely making a speech when he stressed the principles in which he believed. The Quaker Oats Co. was a client of Lord & Thomas for 30 years, until June 1, 1938. Then Mr. Lasker created a sensation in the advertising world by resigning the entire account when Quaker insisted that all copy should be checked in advance against the Townsend brothers' "27 points." Lasker insisted that any such mechanical check would stultify copywriters, and forthwith resigned the account.)

Agency Experience Is What Counts

Col. Swingle came to me with a problem in connection with a pen manufacturer. That problem divides itself into two parts. If he isn't advertising the pens to which the consumer would be most responsive, then it is up to us to get him to do it.

But if we have to help this manufacturer rebuild his sales force and go out and lecture his salesmen and go and make his sales stand up and go into other things; if we have to go to the merchant, to find out not what the consumer wants to know but what the merchant wants to know, that isn't our province and we will do it so poorly that we are robbing the advertiser of his inherent right to get someone in his own establishment who, living and breathing those problems every day, will work it out as no agent has the ability to work it out.

Those are some of the thoughts I want you to put up to advertisers. I want them to know that we realize our limitations, but I don't want them to get the message in such a way that they think we are unwilling to go to the trouble and expense. Experience is the big thing. I can have men come in to me, or to you if you have had the experience, and in five minutes tell them something that they ought to pay us $500,000 a year for. Let me show you how you have to learn from experience:

The Pepsodent Co. is putting out May Breath. The thing went pretty fair, but not fast enough. Just from experience we talked it over one day and we said, "One of the things that must be the matter is the same thing that was the matter with Kotex. It must be that people don't like to go in as a result of an advertisement that discusses bad breath and say, 'Hand me a package of bad breath cure.'" And so we said, "The big thing is to get the goods displayed."

Now, that was an agency function, because that had nothing to do with the dealer. We could have gone in to thousands of dealers and no dealer could have told us the answer to our problem. He didn't know it, because no one would come up to him and say, "I hate to ask you for May Breath, because I have bad breath." No one would come up to him and say,"I would ask you for May Breath, but it will make you think I have bad breath." How could we find out in the store for the May Breath Co., that that was all that was standing between them and a tremendous national success? We couldn't.

But we had the Kotex experience, and as we talked it over in the office, biff! Up sprang the Kotex experience, and we said, "It may be that people don't want to ask for goods to cure bad breath."

So we selected a group of stores and had them go there and offer them a discount if they would display the goods on the counter where people could just come and leave the money and pick the goods up, and in every store within one week the sales of May Breath had increased five-fold. That is an experience within the last 90 days.

Now, do we need thousands of investigators to go out on that? Do we need to train salesmen? I want to show you that type of work. I want you to study these instances and these experiences and more that I will give you at later talks, so that when you talk to prospects you can explain to them just what we mean by this. I want to join with you in dignifying advertising by giving the common sense experience service, and by not taking a great and glorious force like advertising and cheapening it by putting cheap baubles on it just like a street walker who things she has to paint and doll herself up to be attractive.

Now, as to our organization, we have copy men with the experience, we have contact men with the experience, we have artists, space buyers—all this experience brought into one . . .

One of the things you probably hear occasionally if you make calls is, "Well, Mr. Lasker wants to own your business." For goodness sake, I don't want to own anybody's business. I proved to myself in trying to manage businesses that I was of less help to those businesses on the inside than I was on the outside, and not only have I no shame in telling my experience, but I believe I should tell it, and so should every other agent.

On the other hand, I have retained an interest in one business where it is all advertising—like Pepsodent. Where the big thing is manufacturing and selling, no agent knows that technique well enough, just as the manufacturer himself doesn't know the consumer technique, and the agent can't be both at once. The agent is not only worthy of his hire, but is underpaid in commissions, because the thing he does is to bring something to the manufacturer that he can't get anywhere else. I don't mean just ourselves, but J. Walter Thompson and Ayer; Erwin, Wasey; Gundlach—they are all worth more than they are getting.

But I want to not only give common sense service based on experience, I want to give it in a common sense way, so it is easy to give, and easy to take . . . So I am going to have a corps of assistants, and in some cases maybe the copy man will be the contact man, in other cases the salesman will be the contact man, in other cases there may be no contact man; but no matter who the contact man is, everything that is done must be taken up with one of my assistants. The advertiser must be educated (to understand) that this assistant of mine is his contact man in the house. That

assistant, in turn, will call everyone in the house in and play on every problem, and before any policy is decided, it will come up to me for me to say whether I want it to go out under the name of Lord & Thomas, which is the trade name for Albert D. Lasker practicing advertising. Not that the rest may not be smarter than I am, but we must have a unit, and then we will get a unity.

And so when they say, "Oh, you can't get Mr. Lasker's service," as a lot of them say, remind them that we have only 36 accounts. I am in no other business in the world, I am down here more hours a day than any other man save Ralph (Sollitt)—he is mean, he competes with me. If I am not here I am in New York. I love the business. I love the problems of the client that come up in it—provided that we can get proper clients whom I can love. I can only love clients who appreciate us from a professional standpoint, who appreciate the professional side of it and who don't ask us to become commercial mountebanks and circus performers with promises of things that cannot be attained.

And so we are going out enunciating these principles, and I want to get a one-mindedness here in the application of the principles, the principles on which we will present advertising and render service.

I could cover many other points. For instance, I don't go into the test of common sense. There are research ways to the consumer that you must take. Let's say we are putting out a milk of magnesia. There are various viewpoints, there are various size bottles that different ones say we should give. No one can answer that. We could send out any number of research people and go down and say to the consumer, "Would you be satisfied with eight ounces for 50¢?"

And the consumer might say, "Yes." But when it came to using it the consumer doesn't realize how quickly eight ounces will go. If you put the question, "Should we give you eight ounces or ten ounces?" I know in advance they are all going to say "Ten." If we put the question, "Shall we give you eight ounces, ten ounces or twelve ounces?", they are all going to say "Twelve."

So there is just one way to find out—not by sending a few hundred men to go to a few thousands—but taking it and putting it into test campaigns in several different laboratory towns where we go under actual conditions to the hundreds of thousands, and when we learn our lesson there we can extend it to the country.

I am for research, for research on a much greater scale than this bunk, imitation research that has to come with charts. Oh, Mr. Patterson of the National Cash Register Co. did a terrible thing for the advertising business when he recommended charts . . . But he has dropped out of charts, and you have dropped out of charts, more or less.

Now, for instance, take a wise advertiser, like the Palmolive Co. or

Quaker Oats; they know that they would be successful without us, they know they could get other agents to do their advertising. But they have to have someone who they feel will do it as well as anyone, and it makes them happy in the business life to give us their business, to contract with us; it makes us happy to have their business.

Now, what does a wise advertiser like Mr. Pierce of the Palmolive Co. expects of us? Sometimes we run a year and a half and do nothing for the Palmolive Co. but just write the same advertising month after month that we wrote before. But once in a great while they come to us with a problem that is really worrying them. Then they expect aid from us out of the storehouse of experience that they have been lacking, but that we have gotten with other clients. That is why they keep us.

For instance, a few months ago Mr. Pierce came to me and said, "Here, Ivory soap is running some mean, nasty, dirty digs that are not founded on truth. They are saying, 'Ivory Soap—Pure White—It is Never Colored,' and, as we do most of the soap business other than white soap, they plainly insinuate that our soap is colored. They go on to say, 'No Animal Fats,' insinuating that other soaps, including ours, use animal fats. I want you to get up some copy that says we have no animal fats and that there is no coloring in Palmolive soap."

I said, "Now, look here, Mr. Pierce. You are as wise an advertiser as I am. You know that it is negative to say 'No Animal Fats-No Coloring.' Negative advertising doesn't pay. People want to know what you are, not what you are not, because when you tell them what you are not, they still don't know what you are, and they buy you for what you are."

He said, "Of course I know that; that is what you are for, that is what we want you to put your minds on. We would have solved it but we just haven't been able to see the light. Now, I have spoken to you three or four times about it and I want you to work out something."

Well, it just happened I had been talking that day on the viewpoint that art should be used as cartooning, and as I sat at his desk I said, "I think I have it. Why wouldn't it be very interesting news to show the palm trees and the olive tree, from which you get the essential oils that are at once the fat and the coloring matter of the soap, and just in a few words say, 'From these trees and these only come our fats and coloring?'' No one else has ever told that; it will immediately become news." And out of that developed the idea of "soap from trees" that added a new news value to their company—that added, if I might use it in connection with soap, a delicacy and a delectability to their soap.

What happened? They sent their 600 salesmen to all the dealers in the United States with advance copies of the advertisement, and for years where they hadn't been able to read advertisements to the dealer because the dealer knew what was in them (the dealer is hard-boiled on the advertising). Almost every dealer stopped and listened while that advertisement of "soap from trees" was read. And they stocked up, because they thought there

SOAP FROM TREES—One of the Palmolive "soap from trees" ads mentioned by Mr. Lasker. This is one of the later ads featuring this theme, and ran in four colors in the February 1928 Woman's Home Companion.

would be an extra sale.

Now, we couldn't have done that for any client less wise than the Palmolive people. They worked out with us what their weakness was, then we came back with this idea of the cartoon of the trees. And they immediately, having been with us for so many years, said, "But you are lacking in making your news value there." They had an advertising manager who had been employed by us formerly who then went in their employ, and they said, "You are lacking in news value, you ought to have some headline, "Soap from Trees," showing they would have succeeded without us but they couldn't get anyone who could function better for them than we could. But they, wise as they are, couldn't succeed without an advertising agent to bring them the right viewpoint.

Exceptions to the Merchandising Rule

Now, that is the kind of gospel I want to preach, that is the kind of service we are going to give, and in a common sense way we know the limitations on advertising. There come times when an advertiser must not put on pressure, and we ought to tell him. There come other times when he ought to spend more, and we ought to have the courage to tell him.

But, above all, we must agree on one platform, we must agree on one viewpoint, we must agree on one gospel. Agreeing on that gospel, we must be consumed with a fire of energy and enthusiasm to spread it, not only for our own profit, but for service to our art and to our profession. And as we spread it, our line will grow and we will grow and the work will become fun and we will be able to do it with the fury that fun in work brings; and we will have a greater and a finer institution and each one of us will be greater and finer, and it is in that movement that I ask you to join and dedicate yourselves . . .

After I covered all this with you I came back and ran right into a problem in the case of two of our biggest clients. One wanted us to send a battery of men out among agents of theirs to study something, in which case they were absolutely right, because they wanted to get out of their dealers certain comments about themselves that the dealer would not freely give to their own representatives. The only connection they had to turn to was their agency, and it is necessary in their line more or less to keep people out like that all the time. I am speaking of the Studebaker Corp.

So you see there is no case I can bring up, no dogma I can lay down, that doesn't have exceptions, because right now I have brought to my mind the case of an exception within the last week and where I am in agreement with them, that in this extraordinary case you have to go out. That is a line sold to one dealer in a neighborhood, in a big way. But we couldn't go out and make that investigation for the Studebaker Corp., or in any event do them any benefit, unless we were their authorized agents.

Let us say we were going to them and wanted their business and we said, "We will make an investigation." If we made it among their dealers, they wouldn't tell us the things that are on their minds. But if we go as Lord & Thomas Co., co-workers of theirs, they will open up on us on stuff

that they really hope will seep through to the factory through us that they wouldn't tell the factory direct. So you see right now, if you handle this dogmatically and haven't the intelligence to put common sense into the case where there should be an exception, we are going to be pulled down. And when you are talking to someone you can tell them of an exception like that.

I hadn't been back three days until the Quaker Oats people told me they wanted me to put on men to study food values, because they wanted an outside viewpoint. There was another case—two exceptions within the first week—exceptions that I grant and concede, and that if we have new clients and they need it, we should do for them. What I am fighting is this principle that everything has to be investigated and researched all the time and every day, in every way. That is the essence of it . . .

What I am trying to do is give a viewpoint that I know is sound, but I am not dogmatically telling anyone always to use that viewpoint. For instance, suppose I say of a group of women, "Those are very homely women. Be careful how you dress those women." I don't expect my assistant to go and say "We are making this kind of dresses because you are homely women."

MR. HARTMAN: You have done the one thing that has been absolutely necessary in Lord & Thomas and that is to have a policy to work towards.

PRES. LASKER: This is a goal towards which we are working, not a goal which we have achieved, and with many clients in the house we still have to work to achievement, and with many prospects we cannot let them know what we are working to achieve.

MR. HARTMAN: The greatest advertising that you are doing is the advertising of your organization.

PRES. LASKER: Do you think this advertising is too strong?

MR. HARTMAN: No, you have balanced it up very well; when you make one claim you make a counterclaim, so you are not saying anything that I have been able to find that can possibly harm you or harm your representative.

PRES. LASKER: I don't want anybody here to get the wrong notion, but as I say, some of the greatest merchandising takes you only a second to know.

MR. HARTMAN: Take that tax-free idea; we didn't have to find out if the public would be interested in it.

PRES. LASKER: Tell them about that, will you, in just a few words.

MR. HARTMAN: Lucky Strikes was simply a matter of dignified sampling. The cigaret business has always been built up from sampling. We conceived the idea of sampling them and dignifying it and getting a fair part of the money back. We simply came out and tried it out in ten or fifteen towns, the tax-free proposition. That was more than two years ago and the Lucky Strike business has proved that it has been the soundest method that has ever been attempted in sampling. The average increase in the cigaret businesses this year has been 7%, while the increase in the Lucky Strike business has been five times that large, and last year proportionately so.

PRES. LASKER: Mr. Cole just hands me a Calkins & Holden advertisement from the April 2 issue of Printers' Ink. They just lost the Gold Medal flour advertising to Blackett because Blackett promised all kinds of merchandising aid, and I think this was on their mind:

"Calkins & Holden Wish
"to Restate Their Case
"Specialists in Consumer Advertising

"Through the years, and especially through the past ten years, we have watched, with increasing anxiety and concern, the competitive activities of advertising agencies.

"With the compensation fixed by the commission basis, the service rendered has varied in its degree of efficiency by such inequalities of talent and ability as must of necessity be found when one agency is compared with another.

"Since both advertiser and agent recognize this fact—this palpable fact—and since it is impossible to find a yardstick by which to measure talent and since with whatever degree of talent employed the result of an advertising campaign cannot be predetermined, the advertiser who is selecting an agency is left in a quandary.

"The enterprising agent, wishing to outbid his competitors, has promised more and ever more service and kinds of service. In other words, quality of service being too intangible a thing to demonstrate in a solicitation, the agent talked quantity, and as fast as his quantity of service was met by his competitors he added more—much more than it was possible to fulfill, however zealous he may have been or honest his intentions.

"The significant thing to us was the fact that while the compensation was determined by the commission, the amount, degree and kinds of service offered has never adequately been defined. But the most significant fact is that some agencies are better than others and that is a fact that will hold far into the dim reaches of time.

"We say we watched these increasing activities with anxiety and concern because in the dust and turmoil created by them we feared that the primary function of an agency which is, always has been, and always will be, the taking of an advertiser's case to the great court of the ultimate consumer and winning a verdict in his favor, might be minimized in the advertiser's eyes.

"And we fear it has been. More—we have a deep-rooted conviction that it has been and we therefore believe that unless the advertiser's vision be restored to a state of clarity the return on his advertising investment will be minimized too.

"It is our belief that every manufacturer who has reached the point of becoming a national advertiser knows his trade and what must be done to get his goods into a retail store.

"It is our belief, based upon long experience, that we know how to get them out."

I wish one of you would get in touch with Calkins & Holden. I almost have a notion to reprint this advertisement at Lord & Thomas' expense and say we reprint this, published by Calkins & Holden. I say "almost."

Now, as more get to talking this, if we pioneer we will get the benefits. I have no doubt that Calkins & Holden may have gotten the courage to do this from our advertising, but I know the circumstance that made them cooperate. Others will come to it. We have got them all talking salesmanship in print and reason-why. We can get them back to sanity, because the agent is more worthy of his hire than he dreams, and he will find that he will make more money, too, because he will be squandering less of it, and he will have more time for solitude, which is the only way in which we get thought, and thought is the only thing that lets us really apply this experience. I am glad to see this.

MR. COLE: Well, I just feel with Mr. O'Dea and Mr. Hartman that the principles that you have laid down are entirely sound. They are dangerous, however, if not properly used. A boy is in perfect safety with a pop gun—and I am not likening what we have here to a pop gun—but now we are giving him a high powered rifle, and if he is not careful he is likely to kill somebody.

PRES. LASKER: There will be some cases where none of this should be used, but what I don't want used, Mr. Cole, are the false promises.

MR. COLE: You have talked to Mr. Hartman and myself and you have told us what not to do and what not to use. The only thing that ever enters the consideration of any advertiser to any marked extent is his own particular business and unless we can go to him with an intelligent opinion of his own business, there is no use in going to him and talking this. That is the fundamental on which we have always got to get in the door.

PRES. LASKER: I am very glad to have you bring that up. That was going to be the subject of my next meeting with you, but I am glad you bring it up. I had already covered it with those I talked to here. I have talked to several of our salesmen privately to find out what they were saying, and I have said to them what you have injected into this meeting. I have said what I am going to give you in the meeting Saturday and Sunday, as a background of what Lord & Thomas is and what it stands for.

That background must thread and color everything you do and say. That background, much or little of it, you must use in your solicitation, so that when you make recommendations, the advertiser can see the philosophy behind the recommendations. But in no case can you go to a prospect unless you know something about his own line and are ready to talk to him about his line as well as our line. You must first talk to him about Lord & Thomas so that he knows the philosophy behind the advice you give, but there is no

The Story
Studebaker Never Told

Do You Know That Two Cars of Identical Quality May Show a Price Difference of $400 to $1200? That You Cannot Judge the Value of a Car By Its Price? That "Quality Car" No Longer Means "Expensive Car"?—and Why? Read This Before Paying $1,000 or More For Any Car.

DEAR SIR:

What we say here, we've worked 12 years to gain the right to say. If you're considering buying a car, now or later, we believe that we can interest you.

* * *

Twelve years ago, we marked a goal. Then started out to attain it. We believed that quality cars could be produced on a quantity basis and a new era in value thus established.

We knew that quantity production to cut costs was simple arithmetic. That if we spent $25 per car for engineering on a 20,000 production, for example, we could reduce it to approximately one-eighth on 150,000 production.

We knew that by actually *manufacturing* great quantities of quality cars, we could avoid paying a profit to 75 to 100 makers of major parts.

We felt that in countless other ways great savings could be thus effected. We realized that all fine cars were much alike, except in price. That the difference did not come in quality of materials or workmanship, but in production costs. For all selling prices must be based on manufacturing costs.

We have never told this part of Studebaker policy before. It is a fundamental of our business. The reason, we believe, that we are today the world's largest producer of quality cars.

What we did

We spent millions for plant and equipment to reduce manufacturing costs—$38,000,000 in the last 5 years. Widespread savings have been effected.

It costs us less to manufacture. So we can sell for less. That's the substance of our story. We reach to the top for everything that goes into a Studebaker. We know no limit in gaining greater quality.

All Studebaker models are equipped with Timken bearings. There are few cars in America, regardless of price, which equal ours on this point. In our Light-Six, for instance, we put more Timken bearings than are used in any competitive car within $1,500 of its price.

We machine all surfaces of our crankshafts. We are one of the very few manufacturers, either in Europe or America, willing to go to this expense.

Our Profit 8%
The rest you save

STUDEBAKER builds and sells 150,000 cars yearly—the world's largest quality car production.

By producing economically in tremendous volume, and being content with a modest profit, Studebaker thus embodies features found only in cars selling at twice and more the price of a Studebaker.

The average profit on all Studebaker cars sold in 1923 was only 8% on the retail selling price. That's why the price you pay for a Studebaker is so low. You get more quality for less money.

Everything that can reasonably be put in a fine car is in a Studebaker. 750,000 have been made and sold. The average cost for repair parts, as shown by actual repair parts sales, is $13 per car per year.

The price is the only contrasting feature. For Studebaker is a distinguished car of highest quality produced in quantity for those who seek value.

It costs us $600,000 a year to do it. But it results in a smoothness of power, in a lack of vibration that we think is worth it.

We pay top wages, plus a bonus, to attract the cream of automotive labor. The bonus is for superlative workmanship.

STUDEBAKER LIGHT-SIX SEDAN

We subject Studebaker cars to 30,000 inspections which require 1,200 men. That's why so few "adjustments" are necessary on a Studebaker.

All told over 70,000 machine and hand operations are performed in the manufacture of a Studebaker car. In so many operations, though each one is but small, there is great opportunity for economies and savings.

We upholster our closed models in the finest Chase Mohair. Cotton or ordinary wool or a combination of both would enable us to reduce our price $100 to $150 per car. But we would thus sacrifice Studebaker quality and reputation. In our open models, we use real leather. Were we willing to use imitation we could cut $25 from the price.

We equip our cars with many refinements. We include extras that cost hundreds of dollars.

These costs are heavy. But we divide them, remember, among 150,000 cars. That's the only reason we can do it.

* * *

We make Studebaker bodies in modern plants, based on the inherited Studebaker tradition of 72 years of fine coachmaking. No other body builder has the experience of Studebaker. No other the Studebaker tradition to inspire him.

There is no finer

Studebaker builds a fine car—we know how to build no other. Hence, we make the broad statement: *There is no finer* car than Studebaker.

Before you buy see what Studebaker offers.

In 1919 the public paid over $80,000,000 for Studebakers; in 1920 over $100,000,000. In 1921 over $120,000,000. In 1922, $155,000,000. In 1923 $201,000,000.

Every year the world turns more and more to Studebaker.

MODELS AND PRICES—*f. o. b. U. S. factories.*

LIGHT-SIX *5 Pass. 112-in. W. B. 40 H. P.*		SPECIAL-SIX *5 Pass. 119-in. W. B. 50 H. P.*		BIG-SIX *7-Pass. 136-in. W. B. 80 H. P.*	
Touring	$1045	Touring	$1425	Touring	$1750
Roadster (3-Pass.)	1025	Roadster (2-Pass.)	1400	Speedster (5-Pass.)	1835
Coupe-Roadster (2-Pass.)	1195	Coupe (5-Pass.)	1895	Coupe (5-Pass.)	2495
Coupe (5-Pass.)	1395	Sedan	1985	Sedan	2685
Sedan	1485				

Prices subject to change without notice

STUDEBAKER

Detroit, Mich. South Bend, Ind. Walkerville, Canada

THE WORLD'S LARGEST PRODUCER OF QUALITY AUTOMOBILES

LOW PRICE AND PROFIT—A Saturday Evening Post page for Studebaker published in 1924, which sells hard on extra quality at low cost because Studebaker has the production know-how. Note the f.o.b. prices quoted in the box at the bottom of the ad.

sense ever in making a solicitation unless you are then going to apply that philosophy to his business right on the spot.

MR. COLE: You might liken it to the doctor's diploma hanging on the wall—the first talk that you give on Lord & Thomas. That provides the background and gives the authority for what you say.

PRES. LASKER: I wouldn't liken it to a diploma so much, but we can liken it to a good doctor. When you first come to see him he doesn't go right into your case, he sits around and builds up confidence in himself in you. Then he finds out about you while he is building up sympathy from you to him, and understanding of himself in you. Then he diagnoses. That is what this is, the preliminary part, where we are building up confidence in the patient in us and finding out the patient's symptoms. Then we have to give them the diagnosis.

Have you anything more to add?

MR. COLE: No; that covers my point entirely.

PRES. LASKER: Do you feel happy and contented to participate in running the New York business on this policy?

MR. COLE: I certainly do.

PRES. LASKER: You understand that while I say in some cases we are not to talk this to the advertiser, this is the policy on which the service will be rendered. That none of you can change. That doesn't mean that there are not exceptions like the Studebaker case, where we do field work, but we do not make research a part of our service in all cases. It is an extraordinary thing that we have to use in extraordinary cases, not an ordinary thing.

But what I do give here as positive is that in all cases we must do merchandising work, but it is the kind of merchandising work we talked about in connection with Kotex and May Breath and Quaker Oats. There was merchandising. That is the type of merchandising without which you cannot make good copy.

So don't let's get in the frame of mind that we are not merchandisers. A good advertising agent is one of the greatest merchandisers, but there are several types of merchandising, and he is only in the one type of merchandising. The other type he is a stranger to. That is what I am bringing out.

Now, have you three gentlemen anything else that you want to say to the staff here? Has anybody on the staff here any questions that they want to ask of the New York men before they leave? Of course, you will have ample chance at another meeting in a couple of weeks. Then the Los Angeles man is coming on and I am going to have a meeting with you. I want this to seep into you and then we will have a reaction meeting. But have you any questions you want to ask them? Has anyone any questions they would like to bring up now, anything at all?

The meeting stands adjourned.

Final adjournment was taken at 12 o'clock noon, Sunday, April 5, 1925.